

PPL Unnati

Progress in Action



Integrated Strength



Sustainable Future



Resilient Performance

Annual Report
2025-26

INVESTOR INFORMATION

Market Capitalisation as of 31 st March 2026	₹1,13,040 Million
CIN	L201220R1981PLC001020
BSE Code	543530
NSE Symbol	PARADEEP
Dividend Declared	₹1.5 per equity share
AGM Date	September 17, 2026

Disclaimer

This document contains statements about expected future events and financials of Paradeep Phosphates Limited ('The Company'), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.



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Purpose that Connects.

Unnati

In agriculture, progress is shaped through collective effort. It begins in the soil, takes shape through innovation and flourishes through enduring partnerships. At Paradeep Phosphates, this shared journey of advancement is what we call Unnati.

FY 2025-26 marked a defining milestone in that journey with the integration of Mangalore Chemicals & Fertilizers Limited into Paradeep Phosphates. More than the coming together of two organisations, it brought together people, capabilities, manufacturing assets, brands and distribution networks under a shared purpose of advancing Indian agriculture. This transformation has created a stronger, more connected enterprise, well positioned to deliver greater value across the agricultural ecosystem.

Integrated Strength is the foundation of that enterprise. Our strategically located manufacturing facilities, secure sourcing, diversified product portfolio, extensive distribution network and deep engagement with the farming community work together as one connected ecosystem. This seamless integration enhances our ability to respond with agility, strengthen resilience and meet the evolving needs of farmers with greater efficiency.

From this foundation comes **Resilient Performance**. In a dynamic operating environment, our integrated capabilities, operational excellence and financial discipline enabled us to perform consistently, adapt to changing market conditions and create sustainable value for farmers and stakeholders alike.

Looking ahead, a **Sustainable Future** remains central to our journey of Unnati. Sustainability is embedded in the way we operate, from responsible sourcing and resource efficiency to renewable energy, environmental stewardship and community development. Our inclusion in the S&P Global Sustainability Yearbook reflects this enduring commitment to creating long-term value through responsible growth.

For us, **Unnati** is an ongoing journey of purposeful progress. It is driven by integrated strength, reinforced by resilient performance and guided by a steadfast commitment to sustainability as we work towards a more prosperous future for Indian agriculture.

About Us

Advancing with Vision and Purpose



Paradeep Phosphates Limited is one of India's leading integrated fertiliser companies, with a strong presence in the phosphatic fertiliser value chain. We are involved in the manufacturing, trading, distribution and marketing of a diversified portfolio of crop nutrition products that support agricultural productivity and strengthen the nation's food security.

Our strategically positioned manufacturing plants, extensive network of supply chains and strong market reach enable us to address the evolving nutrient requirements of farmers across diverse agricultural segments. Supported by integrated operations, robust sourcing capabilities and a customer-centric approach, we deliver high-quality products with efficiency, reliability and consistency.

Over the years, we have strengthened our market position through operational excellence, infrastructure capabilities, trusted channel partnerships and a disciplined approach to growth. We are committed to creating sustainable value for our stakeholders while contributing meaningfully to the development of India's agricultural ecosystem.



VISION

To be the one-stop solution for the farm economy.



MISSION

To create value for farmers and stakeholders by providing integrated agri-solutions to all farm needs.



12+ Million
Farmer Connect



4.2 Million MT
Total Sales Volume



3.9 Million Tonnes
Total Production Capacity



6 Unique
NPK Grades



CORE VALUES

Sustainability

Embedding responsible practices into every aspect of our business

Agility

Adapting swiftly to the evolving agricultural ecosystem

Customer First

Designing products and services around farmer needs

Integrity

Upholding ethics and transparency in everything we do



₹ 1,13,040 Million
Market Capitalisation

Backward Integration



1.45 Million Tonnes
Total Sulphuric Acid Production



0.50 Million Tonnes
Total Phosphoric Acid Production



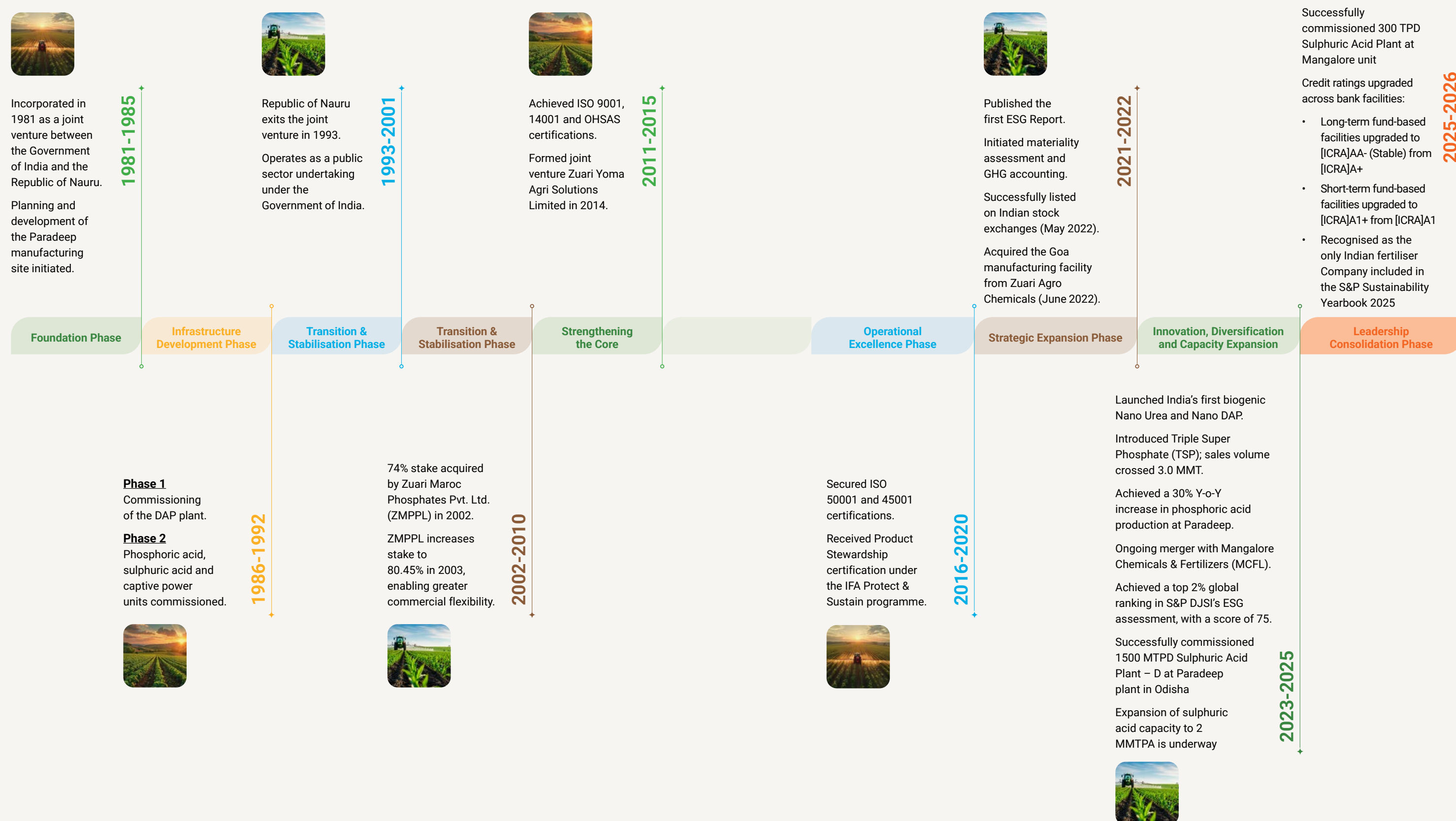
1 lakh+
Retailers



6,000 +
Channel Partners

Our Journey

Footprints of Transformation



Integrated Strength

Connected by Purpose. United in Impact.

Our strength is not built in silos; it is created through connection. Across our manufacturing facilities, supply chain network, sourcing ecosystem, innovation platforms and market presence, every element works together with a shared purpose. This integration enables us to respond swiftly, operate efficiently and serve farmers with greater reliability. It is the foundation that transforms individual capabilities into collective advantage and powers our journey of Unnati.



Operating Environment

Where Resilience Meets Opportunity

The global and local fertiliser market remained dynamic during FY26, influenced by changing dynamics in agriculture, geopolitical changes, commodity price fluctuations and policy measures promoting sustainability. The sector experienced some growing opportunities with specialty nutrition products and balanced fertilisation, but also experienced challenges due to input price fluctuation, supply chain disruptions and regulatory dependency.

In this context, our attention was drawn to further developing our operational resilience, further improving our backward integration, deepening our differentiated offers and optimising our supply chains for long-term growth and competitiveness.



Industry Growth Drivers

01

Policy Momentum Towards Balanced Crop Nutrition

Government initiatives under the Nutrient Based Subsidy (NBS) framework continued to encourage balanced nutrient application, improved soil health and efficient fertiliser usage. Increased emphasis on non-urea fertilisers and sustainable agricultural practices supported demand for phosphatic and complex fertilisers.

02

Growing Adoption of Differentiated Nutrition Solutions

Rising awareness of soil health and nutrient efficiency is encouraging farmers to adopt balanced fertilisation programmes, driving greater acceptance of NPK and specialty fertilisers.

03

Rising Relevance of Sustainable Agri-Inputs

Industry and policy focus on nutrient-use efficiency and sustainable farming practices is creating opportunities for advanced crop nutrition products, including Nano Urea and Nano DAP.

04

Integrated Manufacturing Ecosystems

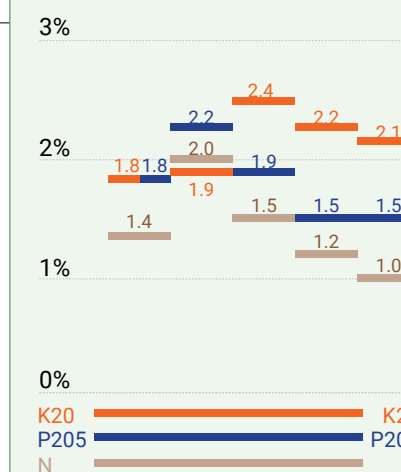
Volatility in raw material availability and continued dependence on imports are increasing the importance of integrated manufacturing capabilities and supply security.

05

Capacity Expansion Opportunities

Growing agricultural demand and greater awareness of balanced nutrition are creating opportunities for capacity expansion, higher utilisation levels and improved operational productivity.

World Fertilizer Use, Annual Growth Rate



FY2025 | FY2026 | FY2027 | FY2028 | FY2029

(Source - IFA, FAO)

Industry Outlook

The outlook for the fertiliser industry remains favourable, supported by the increasing importance of food security, balanced nutrient management, soil health enhancement and sustainable farming practices. Rising adoption of differentiated crop nutrition solutions, together with supportive policy measures and a stronger emphasis on productivity, is expected to create attractive opportunities within phosphatic, complex and specialty fertiliser segments.



Key Headwinds Across Sectors

01

Commodity and Raw Material Price Cost Volatility

International prices of primary raw materials, such as rock phosphate, phosphoric acid, ammonia and sulphur, remained volatile, as the geopolitical situation and energy market price fluctuations affected them.

02

Supply Chain and Trade Disruptions

Global conflicts, trade disruptions and shipping uncertainties continued to impact freight costs, logistics availability and raw material supply chains.

03

Regulatory Sensitivity and Subsidy Dependence

Industry performance remains closely linked to subsidy frameworks, fertiliser pricing policies and the efficiency of subsidy disbursement mechanisms.

04

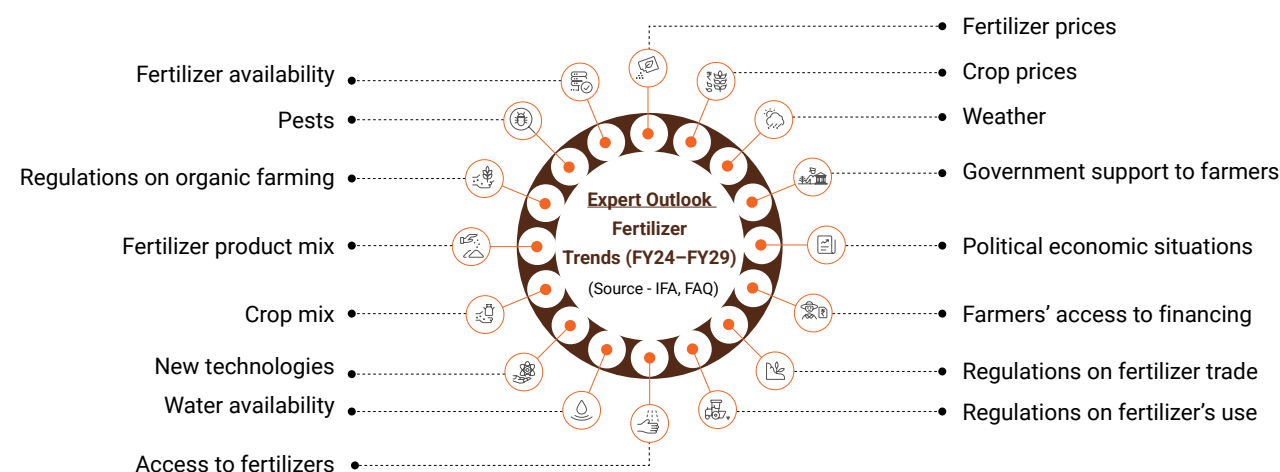
Weather Linked Agricultural Variability

The usage of fertilisers was closely related with the monsoon pattern, crop cycles and the level of agricultural activities.

05

Foreign Exchange and Import Exposure

Dependence on imported raw materials exposes the industry to currency fluctuations and associated procurement risks.



Outlook

While industry fundamentals remain supportive, external uncertainties arising from geopolitical developments, commodity price fluctuations, climatic variability and regulatory changes are expected to persist. Building supply chain resilience, maintaining cost competitiveness and adapting to evolving market conditions will remain essential for sustained success.

Competitive Advantage

Strength Woven into Every Layer

Integrated Manufacturing and Supply Chain Advantage



Why it matters

In a sector characterised by raw material volatility, import dependence and logistics complexities, integrated operations strengthen supply reliability, improve cost competitiveness and support business resilience.



What strengthens us

- Strategically located plants at Paradeep, Goa and Mangalore with port-linked advantages
- Integrated infrastructure for phosphoric acid, ammonia, sulphuric acid and utilities
- Strong sourcing capabilities supported by efficient logistics and long-term supplier partnerships
- Port connectivity enhances inbound logistics (Paradeep captive berth, Mormugao and Mangalore ports)
- Backward integration and supplier relationships mitigate raw material price volatility
- Robust storage infrastructure ensures supply continuity and operational flexibility
- Significant land availability at Paradeep supports future expansion opportunities

Diversified and Evolving Product Portfolio



Why it matters

Agricultural requirements are becoming increasingly sophisticated, with greater emphasis on balanced nutrition, productivity enhancement and sustainable farming practices. A diversified portfolio strengthens market relevance and creates opportunities for value creation.



What strengthens us

- Increasing awareness of differentiated and sustainable nutrition solutions.
- A diversified portfolio of phosphatic, complex, urea and specialty crop nutrition fertilisers, complemented by industrial and circular products.
- Balanced crop nutrition segments to meet diverse crop needs.
- Continuous portfolio expansion through new product introductions, including NUE Silica, Ammonium Sulphate, SSP Powdered, SSP Granulation, Super 16 and ZINCRO.
- Ammonium Sulphate, high NUE products like Nano Shakti Nano DAP, Nano Shakti Nano Urea and TSP.
- Strong brands with deep farmer trust and an extensive presence across key agricultural markets.
- Customer-centric approach backed by agronomy advisory, field demonstrations and digital farmer outreach initiatives.

Pan-India Presence with Strategic Market Reach



Why it matters

In a geographically varied and dispersed farm system, a deep market presence and good farmer connectivity is a must. Good distribution channels contribute to better reach, penetration and engagement.



What strengthens us

- Widespread distribution and network of dealers across India Extensive Pan-India Network • 18 States in India • 25 regional marketing offices • 669 stock points • 6,000+ Channel Partners
- Healthy connection with food chain partners and with the farmers' groups
- Strong retail network to meet market needs → 1 lakh + retailers
- Flagship Brand • Jai Kisaan Navratna • Jai Kisaan Mangala and have strong Consumer Base • 12+ Million Farmers

Sustainability-Driven Growth



Why it matters

Sustainability considerations are consistently influencing the agri-industry, the laws and regulations and the expectations of stakeholders. Sustainable operation and effective resource use is becoming vital for long term value creation.



What strengthens us

- Promotes balanced nutrition and sustainable crop solutions
- Integrates ESG principles into governance and operations
- Enhances resource efficiency through energy, water and waste management
- Utilises Heat Recovery Systems (HRS) to improve energy efficiency
- Reduces carbon footprint through process optimisation
- Supports biodiversity through plantation and mangrove restoration
- Drives social responsibility through safety, people development and community initiatives
- Strengthens governance through risk management, cybersecurity and transparency

Innovation and Quality Focus



Why it matters

Continuous innovation and maintaining product quality are essential for improving farm productivity and addressing the evolving requirements of modern agriculture.



What strengthens us

- Focus on innovation-led crop nutrition solutions
- Strong quality management systems and process excellence across manufacturing facilities to ensure products consistently meet statutory and customer requirements.
- Ongoing investments in operational improvement and technology integration focus on to develop Crop based or Area specific customized fertilizer product for better nutrient management.

Our Strategic Approach

The Principles That Guide Us



Scaling Manufacturing Performance

We focused on improving plant utilisation and process optimisation across our manufacturing complexes. The stabilisation of new assets enabled us to meet growing market demand while maintaining operational discipline.

Key developments

- 3.67 million tonnes production during FY26
- 8% year-on-year production growth
- Process optimisation across Goa and Mangalore units



Advancing Integration and Capacity Expansion

We strengthened our manufacturing footprint through the successful integration of MCFL while advancing key expansion projects that reinforce backward integration. These initiatives significantly enhance our production ecosystem and position us for long-term, self-reliant growth.

Key developments

- Successfully integrated MCFL into our operations
- Expanded installed fertiliser capacity to approximately **3.9 MMTPA**
- Progressed phosphoric acid capacity expansion from **0.5 MMTPA to 0.7 MMTPA**
- Strengthened manufacturing presence across southern India



Strengthening Backward Integration

Reducing dependence on imported intermediates remained a strategic priority during the year. Investments in sulphuric acid and phosphoric acid capacities are strengthening raw material integration, improving supply assurance and creating a more cost-efficient production model.

Key developments

- **Expansion of Sulphuric Acid Capacity:** Successfully commissioned the 1,500 TPD Sulphuric Acid Plant-D at the Paradeep complex, strengthening backward integration and ensuring a reliable supply of sulphuric acid for phosphatic fertilizer production.

- **Mangalore Capacity Enhancement:** Commissioned a 300 TPD Sulphuric Acid Plant at the Mangalore facility, improving self-sufficiency in critical intermediates and enhancing operational flexibility.
- Secured an allocation of 1,15,000 MTPA Green Ammonia under the Government of India's SIGHT Scheme, supporting long-term raw material sustainability and the transition towards lower-carbon fertilizer production.
- **Higher Intermediate Self-sufficiency**
 - Improved raw material availability
 - Better cost competitiveness
 - Greater supply chain stability



Driving Balanced Nutrition Portfolio

We continued to reshape our product portfolio towards value-added and balanced nutrition solutions. Higher contribution from NPK fertilisers and increasing adoption of alternative phosphatic products supported improved product realisations while aligning with evolving farming practices.

Key developments

- Strong growth across NPK fertiliser categories
- Select NPK segments grew by more than 30%
- Expanded presence in TSP and alternative phosphatic products
- Improved product mix through higher-value offerings



Expanding Sustainable Crop Nutrition Solutions

We continued to broaden our portfolio of next-generation fertilisers designed to improve nutrient-use efficiency and support sustainable agriculture. Growing farmer acceptance of advanced formulations reflects the increasing shift towards balanced and efficient crop nutrition.

Key developments

- Increased focus on Nano Urea
- Expanded Nano DAP offerings
- Advanced nutrient-efficient fertiliser formulations
- Field demonstrations and farmer engagement to accelerate adoption



Product Portfolio

The Building Blocks of Advancement

We offer a diversified portfolio of crop nutrition solutions designed to address the evolving requirements of different crops, geographies and soil conditions. Our range spans phosphatic fertilisers, complex fertilisers, secondary nutrients and next-generation plant nutrition solutions, enabling balanced nutrient management and supporting sustainable agricultural productivity.

Our portfolio approach is aimed at enhancing market relevance, improved farmer productivity and increased value-added products based on the evolving farming practices.

Phosphatic Fertilisers

We are among the leading players in the phosphatic fertiliser segment, offering a comprehensive range of products tailored to the nutrient requirements of diverse crops and cultivation systems.

NPK fertilizers



20:20:0:13

19:19:19

10:26:26

12:32:16

28:28:0

Other Key Products


Di-Ammonium
Phosphate (DAP)

Triple Super
Phosphate (TSP)

Muriate of Potash
(MOP)

Urea

These products facilitate normal fertilisation and enhanced crop production in various farming areas.

Value-Added and Specialty Nutrition Solutions

We are also enhancing our position in value-added and differentiated crop nutrition solutions to meet the emerging needs of the farmers and their sustainability concerns.

Our innovation-based portfolio is designed to improve nutrient-use efficiency, support higher productivity and reduce the environmental footprint of agricultural practices.



Nano DAP



Nano Urea



Maha Zypmite



Zypmite Plus

Industrial and Intermediate Products

We manufacture a range of industrial intermediates that support integrated operations and strengthen supply reliability.

The products are important in maintaining backward integration, reliability in supply and minimisation of costs.



Phospho-Gypsum



Sulphuric Acid



HFSA



Ammonia

Resilient Performance

Steady in Action. Strong in Every Season.

Agriculture thrives on perseverance and so do we. In an environment shaped by changing markets, evolving regulations and global uncertainties, we move forward with agility and discipline. Our resilient performance is rooted in operational excellence, prudent decision-making and a resolute commitment to those who depend on us. It enables us to navigate complexity, sustain momentum and emerge stronger with every challenge we encounter.

FY 26 Highlights

The Momentum Behind Our Unnati

Financial Metrics

₹218,263 Mn Revenue from Operations	₹22,594 Mn EBITDA	₹13,284 Mn PBT	₹9,968 Mn PAT
₹9.61 EPS	15.75% ROE	13.60% ROCE	1.01 Debt to Equity
1.15 Current Ratio	₹1.50/Share Dividend Declared		

Operational Metrics

Successfully completed merger with Mangalore Chemicals and Fertilizers Limited (MCFL)

3.67 Mn MT Total Fertilizer Production	4.2 Mn MT Total Sales Volume	1.45 Mn MT Total Sulphuric Acid Production	0.5 Mn MT Total Phosphoric Acid Production
6 NPK Grades Offered	2 Mn Nano Fertilisers Bottles Sold		

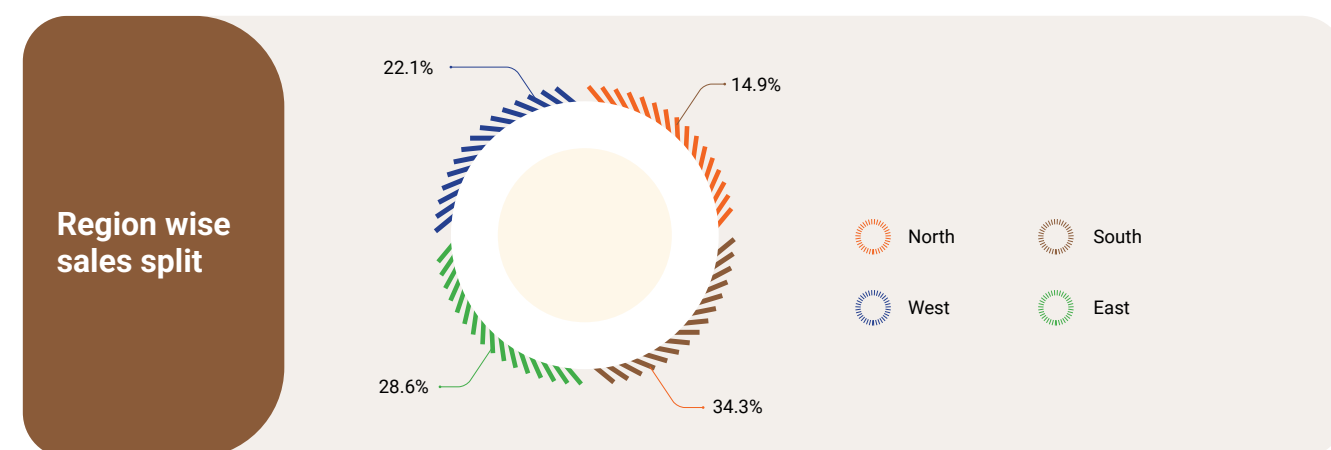
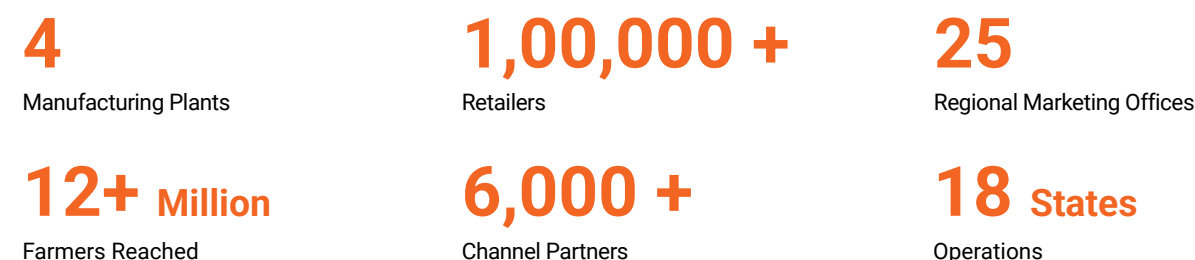
ESG Metrics

76 S&P Global CSA 2025 Score	100% Employee Life Insurance and Compensation	21.8 million GJ Total Energy Consumption	3.73 tCO₂eq./Mn Scope 1 and 2 GHG Emissions Intensity
19.3% Water Intensity Reduction	1,14,482 Lives Impacted via CSR	333 Women in Workforce (Employees and Workers)	1,339 GJ Electricity Consumed from Renewable Sources
1.60 MMT Total Waste Recycled			

Geographical Footprint

The Scale of Our Commitment

Over the years, we have strengthened our dealer and retailer network pan India, which has significantly improved our sales volume and provided us with the opportunity to enter new markets.



Plant wise Production Capacities

Paradeep

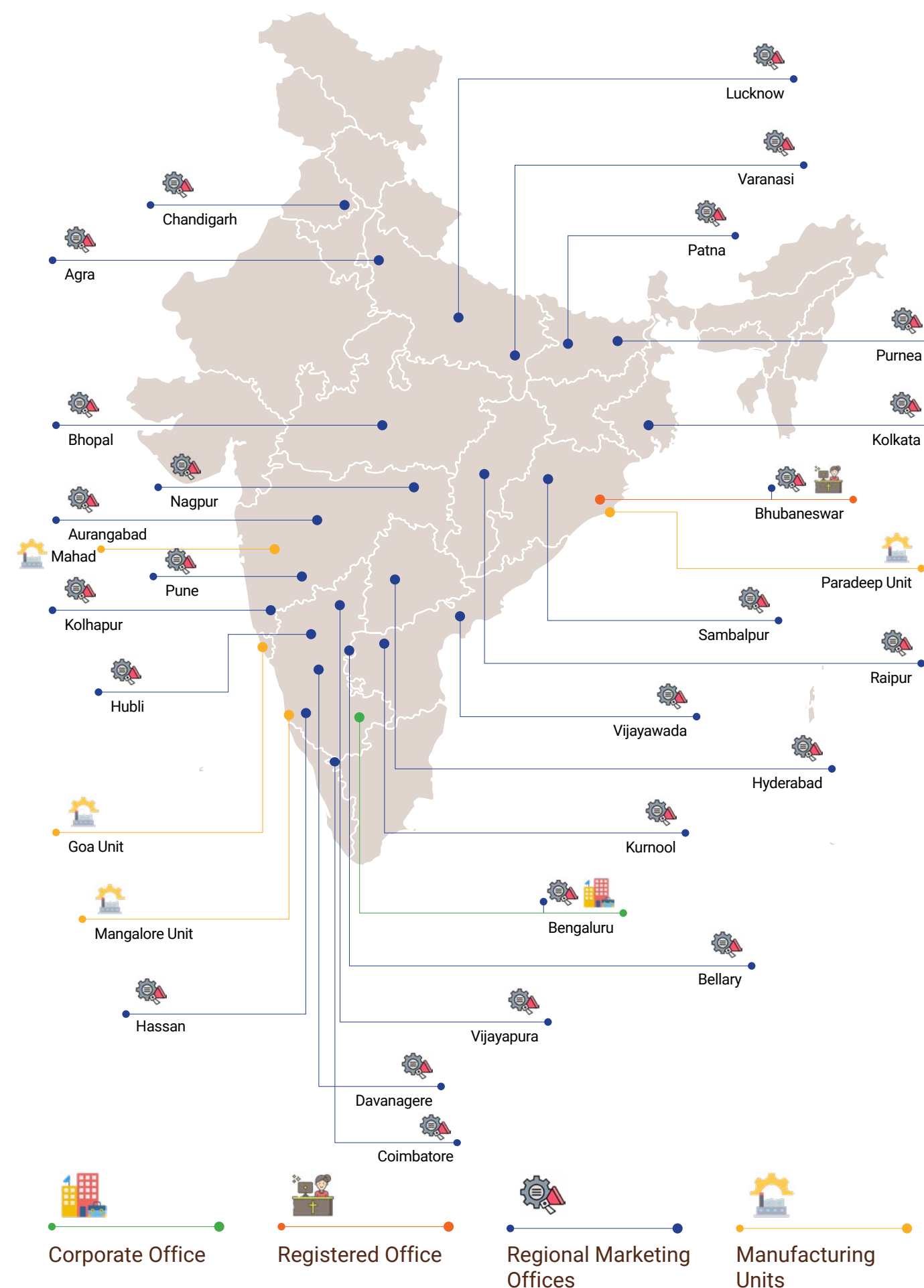


Goa



Mahad

Mangalore



Message from Chairman

Strength. Resilience. Progress.



I am pleased to share that Paradeep Phosphates delivered another strong year. Revenue from operations reached ₹218,263 million, EBITDA stood at ₹22,594 million and Profit After Tax increased to ₹9,968 million. Equally significant was the successful integration of Mangalore Chemicals & Fertilizers Limited (MCFL), expanding our installed capacity to approximately 3.9 MMTPA and strengthening our presence in southern India. Today, we serve more than 12+ million farmers through an integrated pan-India network.

Dear Shareholders,

It gives me great pleasure to welcome you to our Annual Report for FY 2025-26. Thank you for your continued trust and confidence in Paradeep Phosphates. Your support has strengthened our resolve to navigate change with resilience, pursue growth with discipline and create enduring value for every stakeholder.

Unnati: Growing Stronger Through Integration

Every year tells a story. This year, ours is one of building strength from within. Whether it was expanding our manufacturing capabilities, integrating MCFL or making our operations more sustainable, each decision was guided by a simple objective: to create a stronger Paradeep Phosphates for the future. For us, that is what Unnati truly represents.

Turning Resilience into Performance

FY 2025-26 tested businesses worldwide. Trade tensions, volatile energy markets and disruptions to key maritime routes challenged global supply chains, even as the world economy expanded by 3.4%. For the fertiliser industry, where raw material sourcing is closely linked to global markets, resilience became just as important as growth.

India, however, provided a stable foundation. The economy grew by 7.7%, supported by resilient rural demand, moderated inflation and a policy environment that reinforced farmer welfare and balanced soil nutrition.

This gave us the confidence to invest with conviction while strengthening our business for the future.

Delivering on Our Commitments

I am pleased to share that Paradeep Phosphates delivered another strong year. Revenue from operations reached ₹218,263 million, EBITDA stood at ₹22,594 million and Profit After Tax increased to ₹9,968 million. Equally significant was the successful integration of Mangalore Chemicals & Fertilizers Limited, expanding our installed capacity to approximately 3.9 MMTPA and strengthening our presence in southern India. Today, we serve more than 12+ million farmers through an integrated pan-India network.

Building Strength from Within

Our performance this reflects the deliberate choices we have made to strengthen our business from the inside out. The commissioning of new sulphuric acid capacity at Paradeep and Mangalore, together with progress on our phosphoric acid expansion, has enhanced backward integration, reduced our dependence on imported intermediates and strengthened our ability to navigate global price volatility.

The integration of MCFL has been equally significant. Beyond expanding our scale, it has brought together complementary strengths in procurement, manufacturing and distribution, creating a more efficient, resilient and competitive organisation for the years ahead.

Sustainability as a Condition of Operating

For a Company whose raw materials and processes carry inherent environmental responsibility, ESG is not a peripheral

commitment but a condition of our continued license to operate. This year, we achieved an S&P Global CSA score of 76, placing us in the top 2% globally in the chemicals sector. We were also the only Indian fertiliser Company featured in the S&P Sustainability Yearbook.

Our Zero Liquid Discharge facilities and circular economy initiatives, including the productive use of phosphogypsum, demonstrate that responsible environmental practices and strong business performance can go hand in hand.

The Discipline of Earnestness

Ours is an industry where the margin for error is thin, in product quality, in the reliability of our plants and in the integrity of our supply chain. This is why we maintain rigorous quality management systems across all three units, certified to ISO 9001, 14001, 45001 and 50001 standards and why we extend this discipline to our vendor and channel partner relationships through structured codes of conduct. Safety, too, is far more than a compliance requirement. This earnestness, more than any single initiative, is what has sustained our credibility over four decades.

With Gratitude

Every milestone we achieved this year is the result of a shared effort. I sincerely thank our farmers and channel partners, employees, customers, shareholders and the Government and regulatory institutions for their trust and steadfast support. On behalf of the Board, I look forward to building on this momentum as we advance our journey of Unnati together.

Warm Regards,

Saroj Kumar Poddar
Chairman

Message from MD and CEO

Building on Integrated Strength



Dear Shareholders,

Every year brings its own set of opportunities and challenges, but lasting progress comes from the ability to bring together the right strengths at the right time. That is what Unnati means to us. It reflects our belief that integrated capabilities, disciplined execution and a long-term outlook create resilience in the present while laying the foundation for a more sustainable future.

FY26 tested every player in our industry in different ways. Policy support for balanced crop nutrition created favourable demand conditions, even as volatility in global raw material markets kept cost pressures high. In this environment, we stayed true to our long-term strategy, placing greater emphasis on value-added nutrition products rather than pursuing cyclical gains. Our NPK portfolio, including TSP, significantly outperformed the broader industry, reinforcing our belief that sustainable growth comes from making the right strategic choices.



Revenue from manufactured products increased to ₹1,79,120 million, while traded products, which we use to supplement our manufacturing base and serve demand flexibly, contributed ₹39,143 million. Total production for the year stood at 3.67 Mn MT and sales volumes at 4.2 Mn MT.



Delivering a Strong Year

FY26 was a year of solid execution and encouraging financial performance. Revenue from operations grew by 28.7% year-on-year to ₹218,263 million. EBITDA reached ₹22,594 million, while profit after tax stood at ₹9,968 million. Revenue from manufactured products increased to ₹1,79,120 million, while traded products, which we use to supplement our manufacturing base and serve demand flexibly, contributed ₹39,143 million. Total production for the year stood at 3.67 Mn MT and sales volumes at 4.2 Mn MT. Our flagship N-20 grade and the expanding TSP franchise played a significant role in this performance.

Strengthening Our Portfolio

The most encouraging aspect of the year was the steady shift in our product mix. NPK, including TSP, emerged as our strongest growth driver, with sales rising 21.8% year-on-year to 2,463,741 MT as more farmers embraced balanced nutrition solutions. TSP sales almost doubled, rising 91.1% to 282,939 MT. This reflects the strong momentum generated through our partnership with OCP Nutricrops and growing acceptance of the product among farmers.

DAP sales, including traded volumes, increased by 1.5% to 761,357 MT. Manufactured DAP production declined by 16.2% to 561,489 MT because we consciously redirected phosphoric acid towards higher-margin NPK grades. Urea sales were largely unchanged at 844,153 MT. This disciplined portfolio shift, favouring value creation over incremental volume, made a meaningful contribution to margin expansion during FY26.

Preparing for the Next Chapter

As we enter FY27, we do so with confidence in the investments we have made. Our newly commissioned sulphuric acid plant and the additional phosphoric acid capacity at Paradeep will enhance backward integration, improve cost efficiency and strengthen our competitive position.

These investments represent far more than additional capacity. They enhance our ability to serve farmers with greater reliability, improve operational agility and support sustainable growth over the long term. They also move us closer to our ambition of achieving 5.0 MMTPA of capacity by FY29.

Building the Foundation

Strong businesses are built through disciplined choices made well before the results become visible. FY26 was one such year. We strengthened our platform by completing the integration of MCFL, adding 0.7 MMTPA of capacity while deepening our presence in southern India.

We commissioned 500,000 MTPA of sulphuric acid capacity at Paradeep and another 100,000 MTPA at Mangalore, increasing our sulphuric acid capacity by 45%. We also progressed our phosphoric acid expansion from 0.5 MMTPA to 0.7 MMTPA and announced a ₹3,600 crore investment programme to expand granulation capacity and further strengthen backward integration. These investments are designed with a clear objective: achieving 5.0 million MT of sales within the next two and a half years.

Strengthening Our Connect with Farmers

Success in our business is measured by more than production capacity. It is built on the confidence farmers place in our products and our brand.

This year, we welcomed Rahul Dravid as our brand ambassador, bringing to life two campaigns, 'Kheti ka Game Changer' and 'NPK & Organic Fertilizers ki Winning Team'. Our engagement with farming communities also reached new milestones. We organised over 9,000 farmer meetings and nearly 3,800 Farmer Field Demonstrations while our digital outreach generated over 1.4 billion impressions. Every interaction strengthened our relationship with farmers without compromising the technical expertise and credibility that define our brand.

Responsibility Beyond the Balance Sheet

For us, growth carries greater meaning when it creates a positive impact beyond business performance. Through our CSR programme, Navratna Prayas, we positively impacted more than 1,14,000 lives through initiatives in healthcare, education, livelihoods, environmental stewardship and rural development. This included healthcare and WASH programmes benefiting 28,926 people, alongside education initiatives reaching 30,425 beneficiaries.

Safety also reflects the culture we strive to build every day. Our Mangalore facility recorded zero reportable accidents and achieved 3.33 million accident-free man-hours, earning the prestigious Athyunnatha Suraksha Puraskara.

Environmental stewardship remains equally important. At Paradeep, biodiversity assessments and greenbelt initiatives help protect a unique ecosystem that welcomes over 42,000+ migratory birds each year, reminding us that industrial progress and ecological preservation can thrive together.

The Journey Continues

As we step into FY27, we do so with a stronger manufacturing platform, deeper market presence in southern India and a portfolio that is steadily shifting towards higher-value products. Even so, our diversified sourcing strategy, expanding backward integration and integrated manufacturing network provide a stronger foundation to navigate uncertainty with confidence.

None of this would have been possible without the dedication of our employees, the constant support of our channel partners, the confidence of our farming community and the trust of our shareholders. My sincere gratitude goes to each one of you. Your belief in our journey inspires us to keep raising the bar as we build the next chapter of Unnati together.

Warm Regards,

N. Suresh Krishnan
Managing Director & CEO

CFO's Message

Strategy in Action, Results in Numbers



Dear Shareholders,

Financial Year 2025-26 was a year of resilience, disciplined execution, and sustained value creation for Paradeep Phosphates Limited. Against a backdrop of evolving global commodity markets, geopolitical uncertainties, fluctuations in raw material prices, and changing agricultural demand patterns, the Company remained focused on its core objective of ensuring nutrient security for Indian farmers while delivering consistent financial performance.

From a financial management perspective, we maintained a strong focus on liquidity, balance sheet strength, and capital efficiency. We continued to pursue a disciplined treasury strategy, optimize funding costs, and strengthen our risk management framework. Working capital management remained a critical area of focus, enabling us to improve cash flow generation and support future growth initiatives without compromising financial prudence.

Driving Progress through Robust Financial Performance

We delivered another year of enduring performance. Our revenue from operations augmented by 28.7% on a year-on-year basis and was estimated at ₹2,18,263 million. Our EBITDA registered a 32.98% growth and was recorded at ₹22,594 million. Subsequently, the EBITDA margin improved from 10% to 10.4%. Profit Before Tax (PBT) was valued at ₹13,285 million. Profit After Tax (PAT) was approximated at ₹9,968 million, with a ₹9.61 EPS rate. Additionally, Return on Capital Employed (ROCE) and Return on Equity (ROE) improved significantly to 13.60% and 15.75%, respectively. Net worth increased by 15.44%, registering ₹67,827 million. A dividend of ₹1.50 per equity share has been declared by our board. Market capitalization was registered at ₹1,13,040 million as of 31st March 2026.

Operating cash flow for the year was impacted by a deliberate build-up of raw material inventory of approximately 30 additional days to secure production continuity into FY27. However, our long-term growth outlook remains favourable with working capital expected to stabilise through the first quarter.

Our Credit Ratings

We have built our resilience on the foundations of trust. Our enhanced credit ratings reinforce our sustained operational excellence and robust financial capabilities. During the year under review, long-term fund-based facilities were upgraded from [ICRA] A+ to [ICRA] AA- Stable, indicating timely debt repayment. Short-term fund-based facilities advanced to [ICRA] A1+ from [ICRA] A1, thereby underscoring our integrity and reliability.

Disciplined Capital Investment

Backward integration remains fundamental to our strategic growth momentum. Our capital expenditure for FY 2025-26 was approximated at ₹10,725 million, indicating a substantial increase over the prior year. We further consolidated our market position with the commissioning of 500,000

MTPA of sulphuric acid capacity alongside an additional 100,000 MTPA at our Mangalore facility, to ensure supply chain reliability. Long-term competitiveness was backed by the 45% augmentation of our sulphuric acid capacity. Our Phase-I phosphoric acid expansion, advanced progressively from 0.5 to 0.7 MMTPA, thereby driving long-term scalability.

We aim to achieve 5.0 MMTPA of production capacity by FY 2028-29. Backed by a ₹3,6000 million investment, the expansion will substantially expand granulation capacity while promoting self-reliance through structured backward integration. Our long-term growth trajectory will be driven by our ₹6000 million capital expenditure allocation, dedicated to financially closed operations for FY 2026-27. Primary capacity expansion investments are scheduled for completion across FY 2027-28 and FY2028-29.

Integrating Our Strengths

The integration of Mangalore Chemicals & Fertilisers Limited marks a significant milestone in our growth story. We remain poised for enduring success by harnessing our collective strengths and specialised capabilities. Our installed capacity expanded to approximately 3.9 MMTPA, thereby reinforcing our market position and robust operational scale. We prioritised long-term asset creation through our capex programme, thereby ensuring targeted capital deployment. Our gross debt increased to ₹6,8723 million while the debt-to-equity ratio increased to 1.01 from 0.86 in the prior year. Financial stability is further reinforced by robust working capital capabilities. Our current ratio, estimated at 1.15, bolsters our liquidity position while safeguarding our operations from potential market volatility.

Our Risk Management Approach

Our operating environment is constantly evolving. In order to remain competitive while ensuring sustainable progress, we proactively identify and assess risks to respond to them appropriately. Our

ability to create long-term value depends on how we manage and mitigate the impact of these risks and leverage emerging opportunities.

Through a structured risk management framework, we anticipate merging risks, safeguard our revenue margins while enabling informed decision making across our operations. By integrating risk assessment into strategy formulation, capital allocation and operational execution, we prioritise stakeholder value while remaining agile in responding to market volatilities.

Amid geopolitical uncertainties and supply chain disruptions, we mitigate our primary risk of heavy reliance on imported ammonia and sulfur by integrating diversified raw material sourcing and enhanced subsidy tracking. We ensure strict compliance with applicable environmental regulations while assessing foreign exchange, liquidity and cybersecurity risks as low. Our disciplined framework supports operational continuity, strengthens organisational resilience and reinforces confidence in our long-term business priorities.

The Road Ahead

Our commitment to creating stakeholder value while expanding production capacity guides our business endeavours. We acknowledge that a robust balance sheet is essential for long-term success and we remain optimistic for our next phase of growth. Our resilience is reinforced by a robust balance sheet, an enhanced credit profile and targeted capital expenditure aimed at promoting backward integration while ensuring cost-efficiency. By fortifying our operational agility to address the dynamic requirements of India's agricultural sector, we are prepared to take bold strides.

Warm Regards,

Bijoy Kumar Biswal
Chief Financial Officer

Financial Performance

Measured. Consistent. Strong.



Awards and Recognitions

The Milestones of Our Unnati

Paradeep site won both the Platinum Winner and Platinum Runner-Up awards at the CII National Excellence Practice Competition in August 2025.



Winner Certificate for 'Waste Heat Utilization through HRS in Sulphuric Acid Absorption Section'



Runner up Certificate for 'Transition to Steam-Air Pre Heater: A Strategic Move toward Low-Carbon Operations'



PPL receives winner award in the category of 'Production/Operations-Process' by Confederation of Indian Industry (CII)



PPL-Mangalore Plant is awarded "Athyunnatha Suraksha Puraskara" in the Safety Awards – 2025 instituted by the National Safety Council, Karnataka Chapter, securing the Rolling Trophy for the BEST SAFE INDUSTRY across all categories of industries in Karnataka State



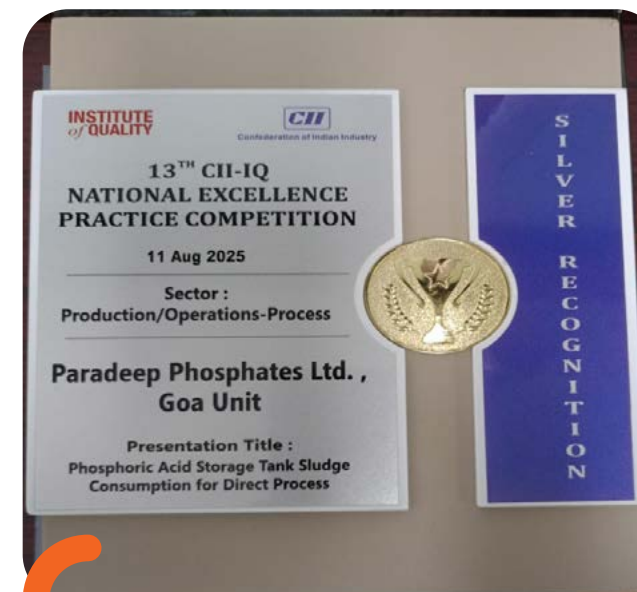
Featured in the S&P Global Sustainability Yearbook Recognised as the only Indian fertiliser company featured in the S&P Global Sustainability Yearbook, highlighting the Company's strong performance and commitment to sustainable business practices and ESG excellence



The Production / Operations – Process Team of PPL, Goa Unit won a 'Silver Award' during the 13th CII IQ National Excellence Practice Competition held in Aug'25 for presentation on 'Phosphoric Acid Storage Sludge Consumption for Direct Process'. The Certificates were conferred to the winning Team Members individually.



PPL received recognition as Top 4 winning Projects at CII Karnataka ESG Summit 2025.



PPL - Goa Unit receives silver recognition for 'Phosphoric Acid Storage Tank Sludge Consumption for Direct Process'



Recognised for outstanding performance among Indian phosphatic fertiliser companies at the FAI Annual Seminar

Creating a Lasting Impact

Unnati Through Collective Action

Safety First Culture

We believe safe operations are fundamental to operational excellence and business resilience. By strengthening safety systems, emergency preparedness and behavioural awareness, we continue to build a workplace culture where safety is embedded into every activity and every individual is empowered to work responsibly.

At Mangalore Plant

Stakeholder Spotlight



"We believe every incident is preventable. By integrating robust systems, proactive risk management and employee participation, we strive to ensure that every individual returns home safely every day."

E Arun

Jt. General Manager – Safety, QC & Environment

Actions Taken

- Conducted safety awareness initiatives during Fire Service Week, Chemical Disaster Prevention Week and National Safety Day, supported by training and employee engagement programmes
- Organised on-site emergency drills, plant-level mock drills and external emergency response exercises to improve preparedness
- Upgraded critical safety infrastructure through fixed roof anchorage lifelines, upgraded fire hydrant systems, emergency communication radios and chemical protective suits
- Introduced a digital E-Work Permit System for better permit management, monitoring and control
- Carried out safety audits and periodic ISO 14001 and ISO 45001 assessments to reinforce governance

Impact Created

- Achieved **zero** reportable accidents during FY 2025–26
- Recorded **3.33 million** accident-free man-hours during the year.
- Received the prestigious Athynnatha Suraksha Puraskara 2025, recognising best-in-class industrial safety performance in Karnataka
- Strengthened a proactive safety culture through improved hazard identification, near-miss reporting and workforce participation



At Paradeep Plant

Stakeholder Spotlight



"At Paradeep Phosphates Limited, every incident is preventable and every employee has both the right and responsibility to work safely. Safety is not a priority that changes with circumstances—it is a core value embedded in everything we do. Through visible leadership, employee involvement, learning from experiences and continuous improvement, we strive to create a workplace where everyone returns home safely every day."

Durga Prasad Tripathy

Joint General Manager & Head (Fire & Safety)

Actions Taken

- Deployed the digital EHS platform Suraksha Saathi for real-time safety observations, incident reporting and corrective action tracking
- Introduced mandatory Job Safety Analysis (JSA) and strengthened Permit-to-Work systems with enhanced isolation and LOTO controls for high-risk activities
- Improved emergency preparedness through mock drills, specialised training, automatic fire suppression systems and upgraded fire detection infrastructure
- Promoted safety communication through digital LED networks, colour-coded safety alerts and employee-led awareness initiatives

Impact Created

- Shifted from a compliance-focused approach to a culture centred on care, accountability /and shared ownership
- Improved hazard identification, incident learning and near-miss reporting through real-time digital interventions
- Enhanced emergency response capability, critical asset protection and operational safety reliability
- Encouraged greater employee participation, making safety a shared responsibility across the workforce



At Goa Plant

Stakeholder Spotlight



“Our safety journey has evolved from a focus on compliance to a culture built on care, ownership and shared responsibility. Today, safety is more than a regulatory requirement—it is a way of life, where every individual takes responsibility for protecting people, assets and the environment. Through proactive risk management, behavioural interventions, employee engagement and strong leadership commitment, we continue to strengthen a workplace where everyone is empowered to put safety first.”

Divya Prakash Bajpayee
Head – Fire and Safety

Actions Taken

- Deployed the **Suraksha Saathi** digital EHS platform to strengthen Safety Observation reporting, Incident Management, Management of Change (MOC), and real-time tracking of safety actions.
- Upgraded the Safety Work Permit System in line with **IS 17893**, reinforced Lockout-Tagout (LOTO) practices, and implemented mandatory Job Safety Analysis (JSA) and Hazard Identification & Risk Assessment (HIRA) for high-risk activities.
- Enhanced fire and emergency preparedness by installing an Automatic Fire Suppression System for MCC panels, upgrading Manual Call Points (MCPs) to addressable technology, enhancing gas detection capabilities, and conducting mock drills and specialised training.
- Established a comprehensive digital and visual safety communication ecosystem through LED displays, colour-coded safety alerts, awareness campaigns, safety videos, and multilingual community outreach.
- Strengthened behavioural safety through weekly HOD safety talks, daily toolbox talks, Safety Observation Reporting (SOR), behaviour-based campaigns, recognition programmes,

and employee engagement initiatives including quizzes, competitions, a Safety Calendar, and an employee-composed safety song.

- Constituted an independent cross-functional Safety Surveillance Team, strengthened the multi-tier safety governance framework, integrated safety into business decision-making, and launched the **#SafetyCulture – From Compliance to Care** initiative to reinforce collective ownership.

Impact Created

- Advanced safety management through a proactive, data-driven approach
- Strengthened hazard control, risk assessment and permit practices
- Enhanced fire safety, emergency readiness and operational reliability
- Improved safety ownership through training, engagement and recognition
- Strengthened reporting culture through digital platforms and learnings
- Extended safety practices across employees, contractors and communities
- Reinforced our commitment to Zero Harm and continuous improvement



Strengthening Manufacturing Resilience Through Backward Integration

Our manufacturing strategy focuses on scale, reliability and operational resilience through integrated infrastructure and process excellence. Stronger backward integration has improved supply security and manufacturing efficiency.

Stakeholder Spotlight



“SAP-D reflects how engineering innovation, resource optimisation and cross-functional collaboration can transform complex challenges into long-term strategic value for the organisation.”

Palanisamy Velusamy
Vice President – Projects



Actions Taken

- Commissioned a new **1,500 TPD Sulphuric Acid Plant (SAP-D)** at the Paradeep complex, expanding in-house sulphuric acid production capacity
- Refurbished and modernised major equipment that had been preserved for over 15 years, bringing dormant assets back into operation
- Introduced advanced technologies, including a Heat Recovery System (HRS) and VFD-enabled energy-efficient blowers, to improve process efficiency and energy optimisation
- Integrated the new plant with existing utilities, steam systems and manufacturing infrastructure for smooth operations

Impact Created

- Reduced dependence on imported sulphuric acid, of which 0.47 million MT was imported in FY 2024–25, strengthening backward integration
- Improved supply chain reliability and raw material security for uninterrupted phosphoric acid and fertiliser production
- Increased energy efficiency and operational reliability through process optimisation and heat recovery
- Maintained SO₂ emissions **below 1 kg per tonne** of sulphuric acid produced, supporting improved environmental performance

Environmental Excellence

Environmental stewardship is embedded across our operations through a balanced focus on ecological conservation, resource circularity and emission reduction.

Stakeholder Spotlight



"We believe industry and nature can flourish together. Through restoration, resource circularity and decarbonisation, we are building a cleaner, more resilient future – one initiative at a time."

Dr. Ambikesh Mishra

Joint General Manager & Head (Env), Paradeep Plant

Ecological Conservation and Circular Water Management

We view resource conservation as an opportunity to create long-term ecological value by restoring ecosystems, conserving biodiversity and strengthening resource circularity.



Actions Taken

- Developed an Ecological Park within the Gypsum Pond Complex
- Expanded green cover across our premises
- Built a rainwater harvesting and storage pond
- Reused treated water in manufacturing processes

Impact Created

- Created **11,500 sq. m.** of restored ecological landscape
- More than **40%** of our premises has green cover supporting 144 plant species and diverse fauna providing natural habitat for migratory and resident birds
- 1 lakh cubic metre** rainwater harvesting and storage pond improving storm water management, water recycling and reuse and strengthening water security

Environmental Excellence

Emission Reduction Through Process Innovation

Advanced process improvements and cleaner technologies have reduced emissions, improved resource efficiency and supported stronger environmental performance.



Actions Taken

- Installed Cesium-promoted catalyst in the final converter beds of Sulphuric Acid Plants A, B and C to improve sulphur dioxide conversion efficiency
- Upgraded the Final Absorption Tower (FAT) acid distribution system in SAP-A from conventional distributor pipes to an advanced trough-type system
- Enhanced process controls and absorption efficiency to minimise sulphur dioxide slippage and stack emissions

Impact Created

- Reduced SO₂ emissions by approximately **0.3 kg per tonne** of sulphuric acid produced
- Improved sulphur recovery and conversion efficiency across sulphuric acid operations
- Strengthened process reliability while enhancing environmental compliance and operational sustainability

Enabling Women-Led Enterprises Through Livelihood Creation

We believe women's economic participation creates lasting social and economic value. By strengthening entrepreneurship, business capabilities and market access, we help women to build sustainable enterprises and stronger financial futures.

Stakeholder Spotlight



"The support provided through the Self-Help Group and Farmer Producer Company helped us to start and expand our small enterprise. We, learned business management, product marketing and financial planning. Today, we all thirty members of the group contributing to our family's income and have become financially independent."

Smt. Gita Muduli
President, Jiban Jyoti
Terracotta Producer Group,
Fatepur, Kujang Block



Actions Taken

- Supported the Jiban Jyoti Terracotta Producer Group with entrepreneurship training
- Provided electric potter wheels and solar-enabled workshop infrastructure
- Enabled business management and product development support
- Facilitated market access through trade fairs and FPC networks

Impact Created

- Increased production capacity and market reach
- Created a steady source of income for 30 women members
- Enhanced household financial stability and economic independence

Nurturing Our Leaders

We believe people achieve their full potential when given the opportunity to learn, take ownership and grow. Structured development programmes, cross-functional exposure and leadership opportunities help build capability at every stage of the career journey. Our employees' stories reflect a culture where ambition, trust and learning create future leaders.

A Journey from Engineering Foundations to Strategic Leadership

Stakeholder Spotlight



"My journey at Paradeep Phosphates Limited has been one of continuous learning, transformation and purposeful growth. Starting as a Graduate Trainee Engineer, every role strengthened my technical foundation while broadening my understanding of manufacturing, operations and leadership. As I progressed, opportunities to work on critical projects, operational excellence initiatives and business expansion assignments, along with learning experiences at IIM Bangalore and Harvard Business School, helped me develop a deeper appreciation of business strategy, financial discipline and long-term value creation.

Looking back, I believe every responsibility has been an

opportunity to learn, contribute and grow. The trust placed in me, the guidance of mentors and the support of exceptional teams have shaped my leadership philosophy and reinforced the importance of ownership, collaboration and continuous improvement. My journey is a testament to the belief that when personal commitment aligns with organisational vision, every challenge becomes a stepping stone towards creating meaningful and lasting impact."

Nilesh Govind Dessai

Joint President – Operations | Joined as Management Trainee in 1995

From Graduate Engineer Trainee to Leader

Stakeholder Spotlight



"When I joined Paradeep Phosphates as a Graduate Engineer Trainee in 2006, I came with curiosity, enthusiasm and a strong desire to learn. Over the years, every assignment and challenge helped build my technical foundation while preparing me for larger responsibilities.

One of the most valuable lessons in my journey has been understanding that growth goes beyond technical expertise. Taking on cross-functional responsibilities taught me the

importance of adaptability, collaboration and leadership.

My journey from trainee to Joint General Manager has shown me that growth happens when we step outside our comfort zone and embrace challenges with an open mindset. To future employees, my message is simple: stay curious, keep learning and never stop evolving."

Gopi Krishna G

Joint General Manager | Joined as Graduate Engineer Trainee in 2006

From Technical Excellence to Team Leadership

Stakeholder Spotlight



"My journey with Paradeep Phosphates began in 2008 as a Management Trainee with a passion for engineering and a desire to understand complex plant operations. Over time, the organisation provided opportunities that helped me grow through increasing responsibilities and continuous learning.

Working across inspection engineering, reliability improvement and predictive maintenance strengthened my belief that innovation and technology create lasting

value when supported by strong fundamentals.

Beyond technical expertise, my journey taught me the importance of mentoring teams, sharing knowledge and driving continuous improvement. For future employees, I believe curiosity, ownership and adaptability will always open new possibilities."

Anup M. Madkaikar

Joint General Manager – Plant Engineering Services | Joined as Management Trainee in 2008

Enhancing Productivity Through Jai Kisaan Crop Nutrition Solutions

The adoption of the right crop nutrition programme and scientific farming practices can significantly improve crop productivity and profitability. Through Jai Kisaan's balanced fertiliser solutions and agronomic guidance, we helped progressive farmer Mr. Hori Ghosh enhance onion yield, quality and market returns through improved nutrient management.

Stakeholder Spotlight



"Initially, I used Jai Kisaan Navratna TSP as part of a demonstration by the PPL team. After witnessing healthier crop growth, improved bulb development and higher productivity, I adopted the complete Jai Kisaan package of practices. This has resulted in better crop vigour, improved quality and higher profitability."

Mr. Hori Ghosh

Progressive Farmer, Hapaniya, West Bengal

Actions Taken

- Recommended a balanced crop nutrition programme using Jai Kisaan Navratna TSP along with complementary nutrient solutions for improved crop nourishment.
- Promoted scientific nutrient management to enhance bulb development, crop vigour and fertiliser efficiency.
- Provided agronomic guidance covering weed, pest and disease management, along with drip irrigation practices.
- Encouraged the adoption of an integrated package of practices to improve overall crop performance.

Impact Created

- Increased onion yield by 10–15%, reaching 110–130 quintals per acre.
- Improved bulb size, colour, weight and pungency, enhancing overall crop quality.
- Achieved better market acceptance, resulting in higher profitability.
- Successfully adopted improved nutrient management practices for sustainable productivity.



Improving Productivity Through Jai Kisaan Crop Nutrition Solutions

We believe the right nutrient strategy can significantly enhance crop productivity and farmer profitability. Through Jai Kisaan's balanced fertilisation solutions and agronomic guidance, we helped progressive farmer Mr. Vikas Kumar Singh optimise banana cultivation through scientific nutrient management.

Stakeholder Spotlight



The balanced fertilisation guidance and crop advisory helped me improve nutrient management and productivity. With better farming practices, I achieved higher yields and improved returns from cultivation.

Mr. Vikas Kumar Singh

Progressive Farmer,
Barabanki, Uttar Pradesh



Actions Taken

- Recommended a crop-specific nutrient programme combining basal fertilisers, water-soluble fertilisers and micronutrients for balanced nutrition across the crop cycle
- Promoted Jai Kisaan nutrient solutions to improve nutrient uptake and fertiliser efficiency
- Provided agronomic guidance on scientific crop management, including pest monitoring, weed control and irrigation practices
- Offered regular field-level advisory support to encourage the adoption of improved cultivation practices

Impact Created

- Increased banana yield to 320 quintals per acre against the village average of 280 quintals per acre
- Improved nutrient-use efficiency through balanced and timely fertiliser application
- Reduced productivity losses through better pest and crop management practices
- Enhanced farm profitability through higher yields and improved crop quality
- Earned recognition from the Hon'ble Chief Minister of Uttar Pradesh, Yogi Adityanath.

Enhancing Farm Productivity Through Scientific Agricultural Practices

We believe improving agricultural productivity is essential to strengthening farmer livelihoods and building resilient rural communities. Through scientific farming interventions, we are enabling farmers to enhance yields, optimise resource use and improve long-term sustainability.

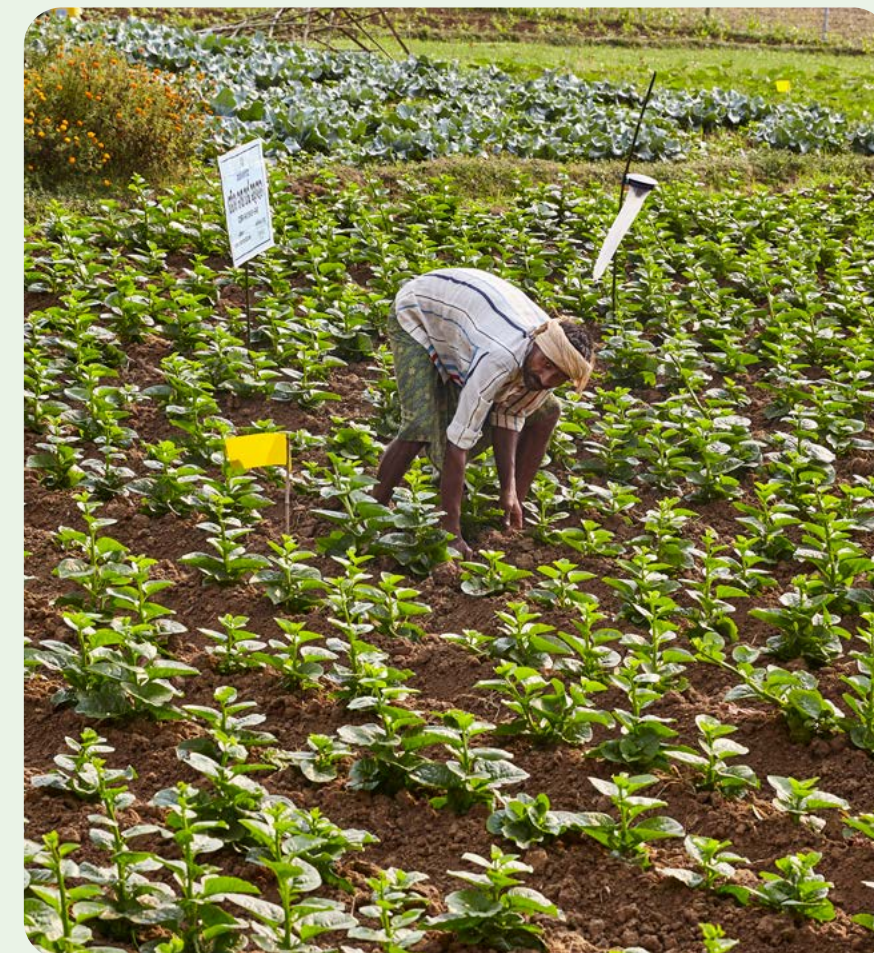
Stakeholder Spotlight



"Earlier, we relied on traditional farming practices and often faced low yields. Through the training, soil testing support, and guidance provided under PPL's agricultural development program, we learned better cultivation techniques and nutrient management practices. Our crop production has improved and we are now earning more from the same land. The exposure visits and regular field support have given us confidence to adopt new practices."

Mr. Biswanath Nayak

Arakhia
village, Kujang Block



Actions Taken

- Provided soil testing support for informed nutrient management and improved soil health
- Promoted balanced fertiliser application and scientific crop management practices
- Conducted training sessions, field demonstrations and exposure visits to strengthen farmer capabilities
- Encouraged adoption of improved seeds and organic fertiliser

Impact Created

- Increased seasonal vegetable cultivation by nearly 40%
- Reduced production costs through optimised input usage
- Improved farmer income and long-term farm sustainability

Value Creation Model

The Architecture of Our Unnati

Input



Integrated Manufacturing and Supply Chain Ecosystem

₹10,725 Million
Capital Expenditure

₹67,827 Million
Net Worth

₹1,13,040 Million
Market Capitalisation



Integrated Manufacturing and Supply Chain Ecosystem

3.9 Million Tonnes
Installed Capacity

7
Fungible NP/NPK
Granulation Lines

4
Manufacturing Plants



Innovation and Quality Driven Operation

₹10.26 Million
Spent on R&D

4
R&D Staff

4
Agricultural Development Labs



Our People

2,163
Employees

4,945
Workers

154
Training Programmes
Conducted for Employees
and Workers

25+
HR Policies



Stakeholder and Community Relationships

₹127.78 Million
CSR Spend

1,00,000
Retailers

25
Regional Marketing Offices

669
Stock Points



Sustainability and Responsible Growth

814,983 tCO₂eq.
Scope 1 and 2 GHG
Emissions

20%
Capital Allocated for
Environment & Safety
Impact Improvement

1,29,82,987 KL
Total Water Withdrawal

Ecosystem

Value Enhancer Practices

Farmer-centric R&D
to identify and solve
agronomic challenges

Global product
development for
balanced crop nutrition

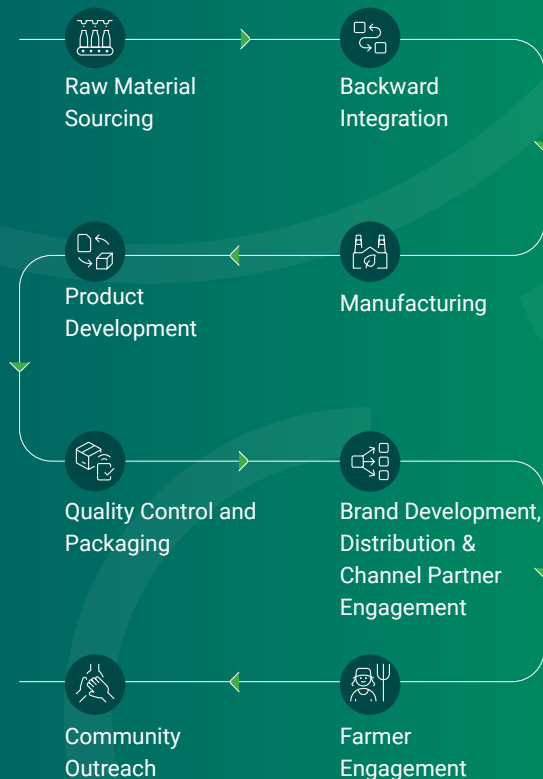
Sourcing + Backward
integration for raw
material security

Sustainable manufacturing
using energy-efficient,
circular practices

Robust supply chain
connecting last-mile
delivery through retailers
and cooperatives

Field engagement for
awareness, product
trials and adoption

Value Chain Process



STAKEHOLDERS BENEFITED

Farmers

Dealers and
Distributors

Retailers and
Cooperatives

Raw Material
Suppliers

Government
Bodies

Local
Communities

Employees
Environment

Output

₹2,18,263 Million
Revenue

₹22,594 Million
EBITDA

₹9,968 Million
PAT

3.67 Mn MT
Production Volume

02
New Launches

3,724
Farmer Field Trials

4.2 Million Tonnes
Fertilisers Sold

> 2 Million Units
Nano Fertilisers Sold

103
Women Employees

230
Women Workers

ZERO
Workplace Incidents

1,14,482
CSR Beneficiaries

12+ Million
Farmers Reached

8.4% per million ₹
Reduction in
Energy Intensity

Zero
Liquid Discharge
across all 4 Units

76
S&P Global CSA
2025 Score

Impact

SDGs Impacted

- Sustained Growth Readiness
- Stronger Financial Resilience
- Enhanced Stakeholder Confidence



- Improved Operational Efficiency
- Resilient Supply Chain
- Enhanced Market Responsiveness



- Enhanced Product Reliability
- Stronger Differentiation



- Improved Productivity
- Future Ready Workforce



- Inclusive Growth
- Community Trust
- Increased Market Access
- Increased Consumer Awareness



- Improved ESG Performance
- Responsible Growth
- Long Term Sustainability Alignment



ESG Roadmap

The Blueprint for Lasting Progress

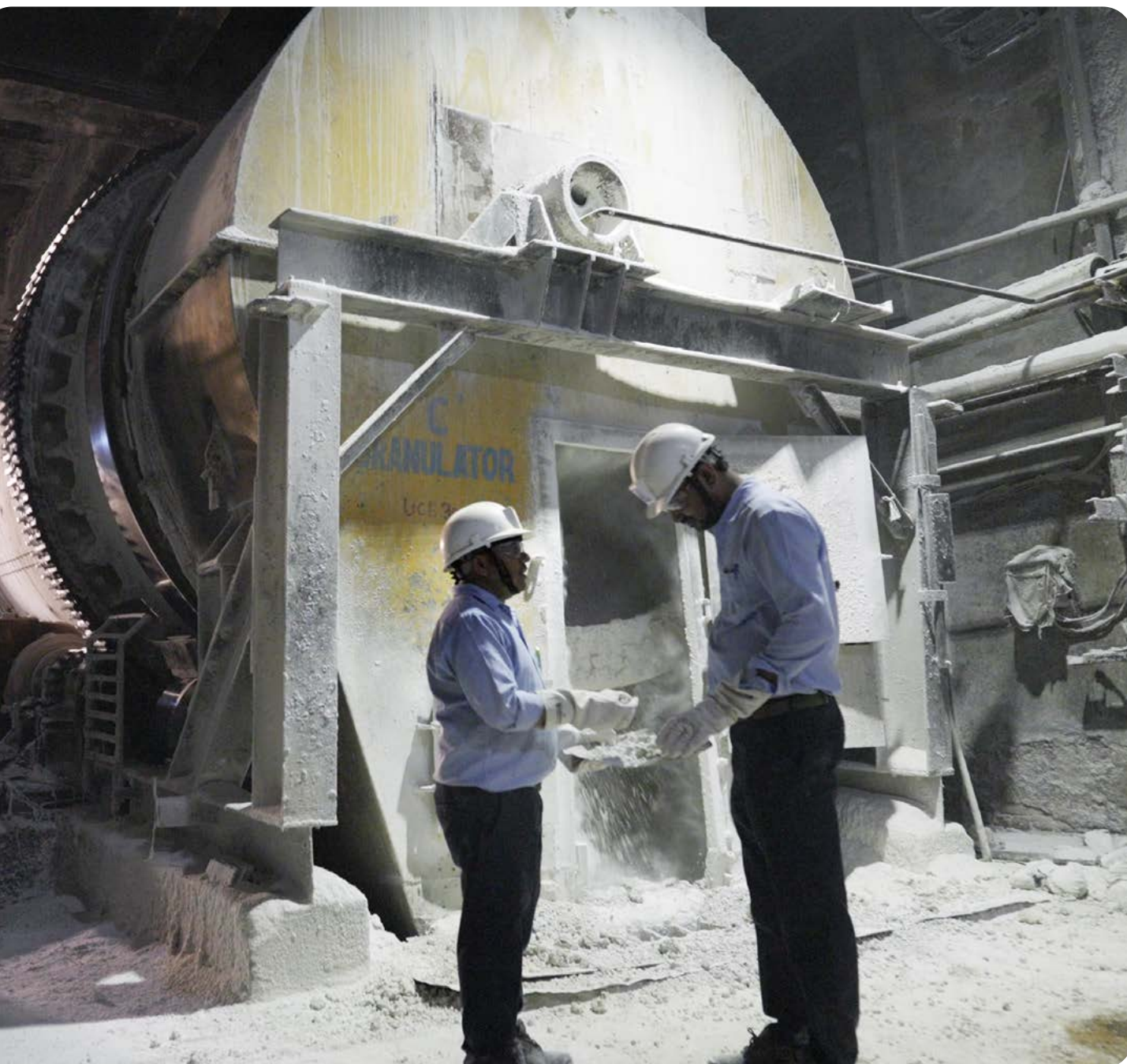
ESG Topic	ESG Goal / Target	Action
 Air emissions and biodiversity	Reduce PM/NOx/SOx intensity by 5% by 2027	Implement emissions tracking systems and phase-wise reduction initiatives.
	Increase in annual saplings plantation by 5% by 2025	Expanded plantation drives through CSR across operational regions. In FY 2026 , 25,000 mangrove saplings were planted at the identified coastal sites near to Paradeep plant. - Tree plantation drives were conducted in Sancoale, Velsao, Upasnagar, and Vidhyanagar with active community participation. A total of 1,200 mango saplings were planted in Velsao and Sancoale villages.
 Water management	Decrease specific water consumption by 5% by 2028	Conduct audits, recycle water and deploy rainwater harvesting initiatives.
	Implement 2 watershed development initiatives by 2027	Partner with NGOs for CSR-led watershed development projects.
	Reduce freshwater consumption by 10% by 2028	Adopt treated water reuse and efficiency measures which has helped in reduction of water consumption intensity by 19% in FY 2026.
 Product Stewardship	Eliminate landfill waste completely by 2027	Enhance recycling and implement zero waste-to-landfill strategy. During FY 2025-26, we have reduced waste going to landfill to ZERO MT.
	Conduct LCA for 3 NPK-based products by 2026	Conducted Life Cycle Assessment of three of our key products i.e. Urea (46:0:0), NPK (15:15:15:09) and DAP (18:46:0) to identify the environmental impacts.
	Improve soil health testing coverage by 10% by 2027	Scale agronomic labs and train field teams.
	Raise R&D spending by 25% by 2027	Prioritise product innovation and digital trial. In FY 2026 ₹10.26 Million spend on R&D.
 GHG and Climate Change	Ensure NPK accounts for 50% of product mix by 2026	Expand differentiated NPK portfolio and farmer adoption programs.
	Reduce energy intensity by 5% by 2027	Invest in energy-efficient technologies and tracking systems. The overall energy consumption intensity per million ₹ has reduced by more than 8.4% in FY 2025-26 compared to FY 2024-25.
 GHG and Climate Change	Reduce Scope 1 & 2 emissions intensity by 5% by 2027	Source renewable energy and optimise fuel mix. The overall Scope 1 and 2 intensity per million ₹ has reduced by more than 3.7% in FY 2025-26 compared to FY 2024-25.

ESG Topic	ESG Goal / Target	Action
 Employee Diversity	Grow captive renewables to 2% of energy consumption by 2027	Install rooftop solar and explore PPAs - A floating solar plant is being installed across two water reservoirs covering 17,340 m², with an expected annual generation of 3.64 million units of clean electricity. - A long-term Group Captive Power Purchase Agreement has been signed to procure approximately 14.12 million units of renewable electricity annually from a wind-solar hybrid project in northern Karnataka.
	Raise women in management to 6% and overall, to 6% by 2030	Initiate leadership pipeline for women and gender-sensitive hiring.
 Human Capital Development	Include specially-abled workforce (0.5%) by 2030	Identify roles, enable support systems and policy alignment.
	100% ESG training coverage by 2025	ESG awareness training is provided to 100% of employees, and 90% for Board of Directors, Senior Management.
 Community Relations	4 man-days learning per employee by 2026	Implemented a minimum of 4 man days for learning hours for every employee by 2026.
	15% increase in lives impacted by 2026	Deepen CSR in health, education, livelihoods. In FY 2026 1,14,482 lives has been benefitted through our CSR projects.
 Responsible Supply Chain	Achieved a growth rate of 55% in life impacted/ beneficiaries by the year 2026 compared to 2024 baseline.	
	100% tier-1 suppliers sign code of conduct by 2026	Implement digital declaration and verification tools, All tier I suppliers adhere to the PPL's Supplier Code of Conduct.
 Customer and Marketing	Capacity building for top 75% suppliers by 2027	Conduct workshops and digital capability sessions.
	ESG assessment for 75% of suppliers by 2026	Use third-party ratings and internal compliance benchmarks.
 Customer and Marketing	Increase local sourcing by 10% by 2027	Map opportunities for local vendor inclusion.
	10% growth in retailer/farmer meetings by 2026	Enhance outreach campaigns and regional planning. In FY 2026, PPL conducted - Retailer Meetings 365. - Farmer Meetings 9,245.

Manufacturing Process

Our manufacturing system is grounded, reliant and utilises integrated infrastructure, operational efficiency and process reliability. With strategically placed facilities, advanced production systems and ongoing optimisation projects, we strive for a consistent quality of products, continuity of supplies and efficient use of our resources. The integration of our manufacturing system allows us to be responsive to the changing needs of the agriculture and market segment, as well as to ensure the operational resilience.

In FY26, we continued to prioritise production flexibility, better use of resources and integration within our production ecosystem. Investment in critical infrastructure, energy use efficiency and operational improvements contributed to increased productivity, reliability and long-term competitiveness.



Paradeep Unit

Located on India's eastern coastline, our Paradeep facility in Odisha forms the backbone of our manufacturing operations. Built for scale, operational excellence and self-sufficiency, the complex seamlessly integrates fertiliser production with backward-integrated processes and dedicated infrastructure, enabling efficient and reliable operations.

The Paradeep plant has further consolidated its position as a major manufacturing hub by undertaking capacity expansion, process integration and operational excellence initiatives.

Key Highlights

1.8 MMTPA

Installed Fertiliser Capacity

0.5 MMTPA

Phosphoric Acid Capacity

2.0 MMTPA

Sulphuric Acid Capacity

0.5 MMTPA

New Sulphuric Acid Plant Commissioned

0.3 to 0.4 MMTPA

Phosphoric Acid Concentration Capacity Enhanced



Operational Achievements

01

Commissioned a new Sulphuric Acid Plant and a 350 MTPD P₂O₅ Evaporator System, strengthening backward integration and process efficiency

02

Achieved record production across complex fertilisers, sulphuric acid, phosphoric acid, NP20, Zymite and captive power generation

03

Successfully manufactured NPK 14:35:14 for the first time, enhancing product flexibility and portfolio capabilities

04

Leveraged integrated logistics infrastructure, including a dedicated conveyor pipeline from the port, to ensure seamless raw material handling

05

Enhanced steam and power self-sufficiency through integrated heat recovery systems and captive energy generation

06

Paradeep site become net power exporter

Goa Unit

The acquisition of Zuari Agro Chemicals' fertiliser facility at Zuarinagar, Goa, strengthened our manufacturing footprint, broadened product capabilities and expanded our reach in western and southern markets. Supported by integrated production facilities and associated infrastructure, the plant plays an important role in serving a diverse customer base.

During FY26, the facility advanced resource efficiency, reliability and productivity through targeted modernisation initiatives.

Key Highlights

1.2 MMTPA

Installed Fertiliser Capacity

0.8 MMTPA

NPK Manufacturing Capacity

0.4 MMTPA

Urea Manufacturing Capacity

0.29 MMTPA

Ammonia Integration Capability

1 MLD

ETP-RO Recycling System Commissioned



Mangalore Unit

The Mangalore facility plays a strategic role in strengthening our presence across Southern India through its integrated manufacturing capabilities and proximity to key port infrastructure. During FY26, the Unit advanced its operational capabilities through capacity enhancement, backward integration and process optimisation initiatives, further reinforcing supply reliability and manufacturing efficiency.

Key Highlights

0.7 MMTPA

Installed Fertiliser Capacity

0.4 MMTPA

Urea Manufacturing Capacity

0.3 MMTPA

NPK-20 Manufacturing Capacity

0.29 MMTPA

Ammonia Integration Capability

0.13 MMTPA

Sulphuric Acid Capacity

300 TPD

Sulphuric Acid Plant Commissioned during FY26



Operational Achievements

01

Implemented Energy Saving Project Phase-II through compressor upgrades and replacement of critical drive turbines

02

Strengthened energy efficiency and process reliability through focused modernisation initiatives

03

Commissioned a 1 MLD ETP-RO facility to enhance water recycling and reuse across operations

04

Leveraged ammonia integration and diversified production capabilities to support manufacturing flexibility

05

Continued to serve high-consumption agricultural markets through a broad portfolio of NPK and urea products, including unique fertiliser grades

Operational Achievements

01

Commissioned a 300 TPD sulphuric acid plant in March 2026, strengthening backward integration and improving raw material security

02

Enhanced manufacturing integration through ammonia and sulphuric acid capabilities, supporting operational resilience and cost competitiveness

03

Leveraged strategic port proximity to improve logistics efficiency and ensure reliable supply to key agricultural market

04

Continued to serve Southern India through a focused product portfolio comprising urea and NPK-20 fertilisers

05

Contributed to the expansion of PPL's integrated manufacturing platform, supporting the Company's growth to 3.9 MMTPA installed capacity

Research, Development and Innovation

The Catalyst for Our Unnati

Innovation remains central to our efforts to address evolving agricultural requirements and promote balanced nutrient management. Our R&D approach combines scientific research, agronomic validation and farmer insights to develop solutions that improve productivity, optimise nutrient utilisation and support sustainable farming practices.

Through collaboration with farmers, research institutions and industry partners, we are advancing initiatives in crop nutrition, process optimisation and resource efficiency. During FY26, our priorities included expanding product capabilities, strengthening specialty nutrition offerings and advancing manufacturing innovation.



Key Innovation Priorities

Product Innovation

We enhanced our crop nutrition portfolio by introducing products that meet changing soil health and crop productivity needs.

New Product Introduction



Nano Shakti Nano DAP



Nano Shakti Nano Urea



Ammonium Sulphate

Farmer Centric Development

Cultivating a learning process with the field is an integral part of our innovation process, enabling us to ensure that product development is in line with practical agricultural needs.

Key Initiatives

Initiated field demonstrations and agronomic validation programmes in various geographies.

Executed farmer field trials in a range of cropping patterns.

Incorporated market and farmer suggestions to product development and portfolio improvement programs

Process and Manufacturing Innovation

Alongside product development, we pursued process innovation initiatives aimed at improving productivity, resource utilisation and manufacturing sustainability.

Key Initiatives

- Evaluated alternative raw materials to strengthen supply flexibility and optimise production economics
- Undertook process improvements projects aimed at enhancing yields and operational performance
- Advanced initiatives focused on energy efficiency, waste reduction and resource optimisation
- Explored opportunities for value creation through circular economy and by product utilisation initiatives

Quality Assurance and Product Excellence

Quality is always a part of our innovation and product development strategy. We have established comprehensive quality management systems, advanced analytical tools and strict testing procedures to guarantee that our products qualify to meet regulatory requirements and customer expectations.



Key Initiatives



Certifications and Standards



ISO 9001:2015



ISO 14001:2015



ISO 45001:2018



ISO 50001:2018



ISO 17025:2015



ISO 22000:2018



Marketing

Bringing Knowledge to the Field

Marketing goes beyond just product promotion at Paradeep Phosphates, it is a means of creating awareness, enhancing farmer engagement and moving towards balanced nutrient management. We are sustaining informed decision making and sustainable agriculture with integrated campaigns, channel partnerships and on ground outreach programmes.

In FY26, we aimed to promote our Jai Kisan product line in the market and build relationships with various stakeholders while advocating balanced fertilisation practices using both offline and online channels.



Marketing at a Glance

4.2 Mn MT

Primary Sale of P&K Fertilisers

1.43 Mn MT

Sales of PPL's Flagship Product, Jai Kisaan Navratna 20:20:0:13

2.46 Mn MT

Primary Sales of NPK Complexes

2.0 Mn Bottles

Nano Shakti Products Sold

0.53 Mn Bottles

Nitronic 32 Sold

3,724

Farm Field Demonstrations

9,245+

Farmers Meetings Conducted

394

Crop Seminars

1.5 Billion

Total Digital Impressions

5,817

Campaign Days

Special Programs



Jai Kisan Jai Kisaan (15th Aug. '25)

193 programs, 486 ex-servicemen farmers felicitated



World Soil Day (5th Dec. '25)

193 programs, 14,000+ farmer participation



Jai Kisan Diwas (23rd Dec. '25)

197 programs, 18,664 farmer participation



International Women's Day (8th Mar. '26)

195 programs, participated by 13,784 women farmers

Promoting Balanced Fertilisation

Advancing balanced nutrient management remained central to our outreach efforts during FY26. Through farmer education programmes, strategic partnerships and the introduction of innovative crop nutrition solutions, we strengthened awareness around responsible fertiliser application and soil health management.

Key Highlights

- Enhanced the Jai Kisaan portfolio by development of Nano DAP, Nano Urea, Nitronic 32 and Jai Kisan Navratna TSP 46%
- Promoted Jai Kisaan Navratna TSP 46% P, in collaboration with OCP Nutricrops. A diverse set of interventions enabled deeper outreach and stronger engagement across crops and geographies. These initiatives played a key role in converting awareness into adoption and reinforcing trust among both farmers and channel partners.
- Engaged Rahul Dravid as the brand ambassador to instill confidence, reliability and balanced fertilisation message
- Organised extensive awareness sessions about the use of the optimum quantity of fertilisers and soil health



Onboarded Rahul Dravid as the brand ambassador for PPL

Benefits

Demonstrated through Successful TSP Field Trials were shared through 78 Field Days

1706
Campaign Days

Created Mass Awareness for TSP

188

Expert Interactions Conducted on Best Practices for the use of TSP for Different Crops

3790

PM PRANAM Goshthis Organised in FY 2025-26

180 Demonstrations

Conducted for Showcasing Product Efficacy

78 Field Days

Benefits of Successful TSP Demonstrations Propagated

Digital Engagement

We continued to grow our digital presence by utilising social media through engaging with farmers and influencers

Key Highlights

- Executed integrated digital campaigns throughout the Metaverse, YouTube and other social media platforms
- Used social media to support outreach and credibility with agricultural influencers and progressive farmers.
- Used authentic farmer testimonials to build trust and uptake of product.
- Propelled combined digital engagement with on-ground activation to build a seamless farmer reach ecosystem

Campaign Performance

63.1 Million

Meta Reach

21.4 Million

YouTube Reach

1.5 Billion

Total Impressions

108.7 Million

Engagements

53.4 Million

Video Views

250 Farmer

Testimonial Nano DAP

150 Farmer

Testimonials for TSP

Strengthening Farmer and Channel Connect

Our farmer first approach is supported by extensive engagement programmes designed to improve knowledge sharing and strengthen relationships across agricultural value chain

Key Highlights

- Engaged retail partners and organised retailer engagement programmes and channel partner meets in major markets
- Organised crop seminars, farmer connection programmes and product demonstrations to demonstrate the effectiveness of the product
- Encouraged good fertiliser management practices in the field through interaction and expert sessions
- Enhanced market outreach by developing a channel partner network and progressive farmers

Performance Snapshot

4

Josh Programs

13,923 Farmers

Participated in World Soil Day

18,664 Farmers

Participated in Jai Kisan Diwas

10

Key Channel Partner Engagement Programs

13,784 Farmers

Participated in International Women's Day Programmes



Our People

The Talent Behind Our Momentum

Our people are the driving force behind our operational excellence, innovation and sustained success. We are committed to fostering a workplace where individuals feel valued, included and empowered to develop their capabilities, contribute meaningfully and achieve their potential.

Through a culture anchored in performance, accountability, collaboration and wellbeing, we are strengthening organisational resilience and building a workforce equipped to support our future ambitions.



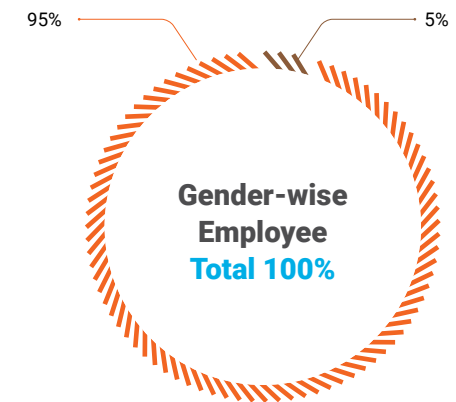
Employee Dashboard

2,163

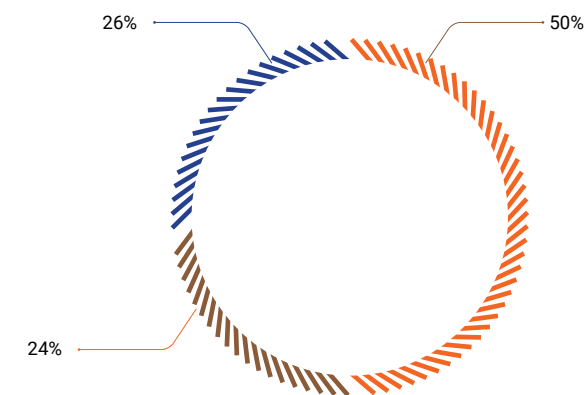
Permanent Employees

4,945

Total workers



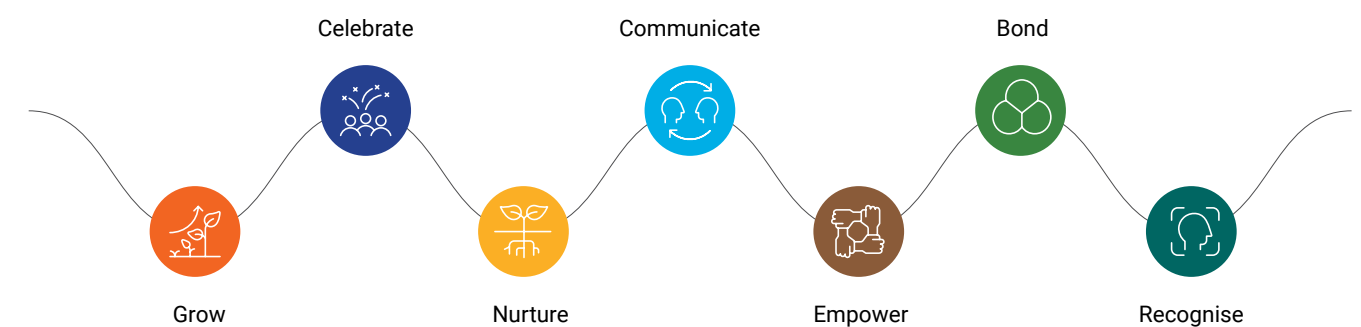
Male Female



Less than 30 30 - 50 Above 50

High Performance Culture

Our people practices are anchored in the PPL CARES framework which focuses on 7 dimensions:



Key Initiatives

- Leadership Townhalls and Coffee with Leadership encourage open discussion and transparency
- HR Hour gives employees a framework to share feedback and concerns
- PRAISE Awards and Long Service Awards are given to recognise performance and commitment
- The workplace is enriched by cultural celebrations, sports initiatives and employee engagement programmes

Building Leadership for Tomorrow

Building a strong leadership pipeline remains central to our people strategy. Through structured learning pathways, succession planning and cross-functional exposure, we are nurturing future leaders equipped to drive performance, adaptability and organisational growth.

Key Highlights

- LEAD programmes are developed in collaboration with the IIM Mumbai and IIM Lucknow to promote the development of leadership capacity
- PRARAMBH offers structured induction and development program to the management trainees
- Succession planning framework addresses leadership roles up to N-2 of MD & CEO
- A 9-Box Talent Matrix is used to objectively identify and develop future leaders

Leading for the Future

Our learning ecosystem is designed to build technical, operational and leadership capabilities while supporting business transformation and innovation.

Key Initiatives

- Elevate learning platforms to support continuous and self-directed learning
- A total of 395 frontline staff were taken up under SAKSHAM behaviour excellence programme with more than 90% satisfaction rating
- Over 1200 employees participated in Labour Code awareness programmes
- Manufacturing Academy and Sales Academy are planned to be implemented for further strengthening capability development

Key Highlights

16,000+

LinkedIn Learning Courses

9.9 Days

Learning Intensity at Paradeep

9.8 Days

Learning Intensity at Goa

LEARNING AND LEADERSHIP ARE INDISPENSABLE TO EACH OTHER

LEAD ENGAGE ACCELERATE & DEVELOP @ IIM MUMBAI



Encouraging an Inclusive Workspace

We continue to strengthen diversity and inclusion through progressive policies, employee well-being initiatives and focused efforts to improve workforce representation

Key Highlights

- Female attrition reduced to 7.8% from 9.0% in the previous year
- Mandated 'No Ask Leave' policy in relation to menstrual health and employees' well-being
- Continued POSH awareness and governance initiatives across the organisation
- Women's Engagement and empowerment initiatives were conducted across locations



Strengthening HR Governance

HR governance is continually improving, with standardisation of processes, structured policy frameworks and digital systems.

Key Highlights

- Implemented the 'One Payroll. One Standard. Full Compliance' approach
- Continued HR digital transformation through workforce management and integrated HR systems
- HR practices are supported internationally recognised management systems including ISO 9001, ISO 14001, ISO 45001 and ISO 50001 certifications



Stakeholder Engagement

Partners in Our Progress

Strong stakeholder relationships form the foundation of our business. We engage proactively with stakeholders across the value chain to understand evolving expectations, foster transparency, strengthen responsiveness and create shared value.

Our stakeholder engagement framework enables us to align business priorities with stakeholder interests while reinforcing trust, enhancing organisational resilience and supporting sustainable value creation.



Stakeholder Relationships



Employees

7,108
Total Workforce

Why they Matter

Our people drive operational excellence, innovation and long-term growth

How we Engage

- Satisfaction surveys
- Grievance redressal
- Annual engagement activities
- Meetings with employee associations and unions

Frequency of Engagement

Regular and on a continuous basis

Value Created

- Improved workforce capacity and productivity



Customers

12+ million
Consumer Base

Why they Matter

Customers are central to our business ecosystem

How we Engage

- Website
- Periodic market research
- Customer visits
- Conferences

Frequency of Engagement

Regular and on a continuous basis

Value Created

- Improved customer engagement
- Stronger product adoption



Investors and Shareholders

15%
Dividend

Why they Matter

Investors support long-term capital growth and strategic expansion

How we Engage

- Investor meets
- Press conference
- Annual General Meeting (AGM)
- Press conferences
- Updates on the Company's website
- Investor/analyst meetings
- Stock exchanges announcements

Frequency of Engagement

- Regular and on a continuous basis

Value Created

- Enhanced transparency
- Improved stakeholder confidence
- Long term value creation



Community

1,14,482
CSR Beneficiaries

Why they Matter

Communities surrounding our operations are important partners in sustainable development

How we Engage

- Project Meetings
- Annual Reviews

Frequency of Engagement

- Regular and on a continuous basis.

Value Created

- Positive social impact
- Stronger community relationships



Government and Regulatory Bodies

Governance & Transparency

Why they Matter

Regulatory alignment is critical in highly regulated fertiliser industry

How we Engage

- Annual and quarterly compliance reports
- Press conferences and media events
- Published articles and newsletters

Frequency of Engagement

- Regular and on a continuous basis

Value Created

- Improved policy alignment
- Responsible industry participation

Materiality Assessment

Charting Impact Through Insight

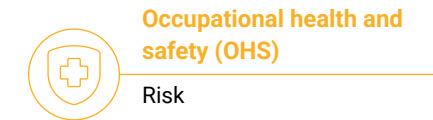
Resilience and sustainability are a core part of our strategic decision making. We conducted a thorough materiality assessment using a three-phase approach, which involved mapping our priorities with stakeholder expectations and managing them in line with our operational realities. Through this process, we can systematically identify, prioritise and seek to address our environmental, social and governance (ESG) issues that are most important to our business and stakeholders.

Materiality Assessment Framework



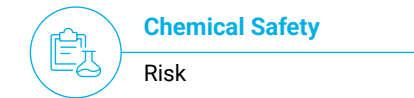
Material Topics and Mitigations

Issues Influencing Enterprise Value



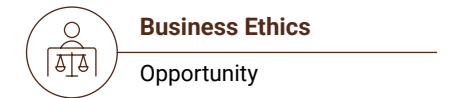
Mitigation Strategy

We maintain a comprehensive Occupational Health and Safety (OHS) programme supported by ISO 45001-certified manufacturing plants at Paradeep, Mangalore, Mahad and Goa. Our safety framework is reinforced through well-defined Standard Operating Procedures (SOPs), regular health and safety training, continuous workplace monitoring, and proactive risk management practices, including Hazard Identification and Risk Assessment (HIRA), Hazop studies and process safety audits. Regular external safety audits and inspections, including the CIGG inspection by the Government of Odisha, further strengthen regulatory compliance and drive continuous improvement in workplace safety.



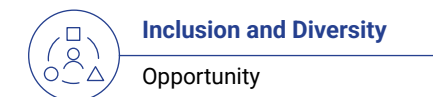
Mitigation Strategy

Our manufacturing plants are ISO 45001 certified, underscoring our commitment to international occupational health and safety standards. Safe chemical handling is ensured through comprehensive SOPs, safety manuals, regular employee training, periodic safety audits and the provision of appropriate PPE. Continuous monitoring, internal and external audits, and proactive hazard preparedness reinforce regulatory compliance and drive continual improvement across our operations.



Mitigation Strategy

Our Code of Business Conduct and Ethics provides clear mechanisms for raising concerns and is supported by policies covering bribery, gifts, insider trading and the prevention of harassment. Our ESG Steering Committee further strengthens our governance and sustainability commitments by steering environmental stewardship, corporate social responsibility and governance initiatives, reinforcing transparency, accountability and ethical business practices across the organisation.



Mitigation Strategy

We are committed to building an inclusive workplace where diverse perspectives drive creativity, innovation and stronger problem-solving. Guided by our Board Diversity Policy, we promote inclusive recruitment practices that provide equal opportunities to talent irrespective of gender, religion, region, caste, sexual orientation, creed or race. By embracing diversity, we strengthen organisational performance, enhance our ability to address evolving agricultural needs, support product development and reinforce our position as an employer of choice.



Mitigation Strategy

Our Environmental Policy reflects our commitment to environmental protection, resource conservation and regulatory compliance. Our ISO 14001-certified manufacturing plants operate under plant-level SOPs, supported by continuous environmental monitoring, regular employee training and periodic third-party energy audits. We comply with State and Central Pollution Control Board regulations while continuously working to minimise air emissions and enhance environmental performance.

Material Topics for External Stakeholders



Chemical Safety

Risk

Mitigation Strategy

We minimise the environmental impact of chemical use through responsible handling of hazardous chemicals, supported by robust SOPs, safety manuals, periodic safety audits and strict adherence to prescribed safety standards. Sourcing molten sulphur from Indian Oil Corporation Limited has reduced imports, optimised costs and lowered GHG emissions. Our Paradeep facility operates as a zero liquid discharge site, while internal and third-party audits drive continuous improvement in safety, regulatory compliance and environmental performance.



Community Relations

Opportunity

Mitigation Strategy

We are committed to building strong and lasting relationships with the communities in which we operate. Guided by our Corporate Social Responsibility (CSR) Policy, we invest in initiatives that promote livelihoods, education, health, Water, Sanitation and Hygiene (WaSH), and environmental sustainability. Through continuous community engagement and a sustained focus on improving community well-being, we strengthen trust, reinforce our commitment to responsible corporate citizenship and support inclusive, long-term development.



Responsible Supply Chain

Risk

Mitigation Strategy

We strengthen supply chain resilience through strategic sourcing and responsible procurement practices. Our transition to molten sulphur sourcing from Indian Oil Corporation Limited (IOCL) has reduced carbon emissions while enhancing supply efficiency. A structured vendor evaluation system incorporating ESG criteria, long-term partnerships with critical suppliers and the development of alternative domestic sourcing channels reinforce supply continuity, minimise disruption risks and support uninterrupted operations.



Product Stewardship

Risk and Opportunity

Mitigation Strategy

We continue to strengthen product stewardship by reducing risks to people and the environment. At our Paradeep plant, sourcing rock phosphate from OCP Group and molten sulphur from Indian Oil Corporation Limited has helped lower Scope 1 and Scope 3 emissions compared to imports. We also promote sustainable products through phosphogypsum-based offerings such as Zypmite and Zypmite+, city compost distribution and in-house vermicomposting, while Life Cycle Assessments of key products, including Urea, NPK and DAP, help us identify and manage environmental impacts across the product lifecycle.

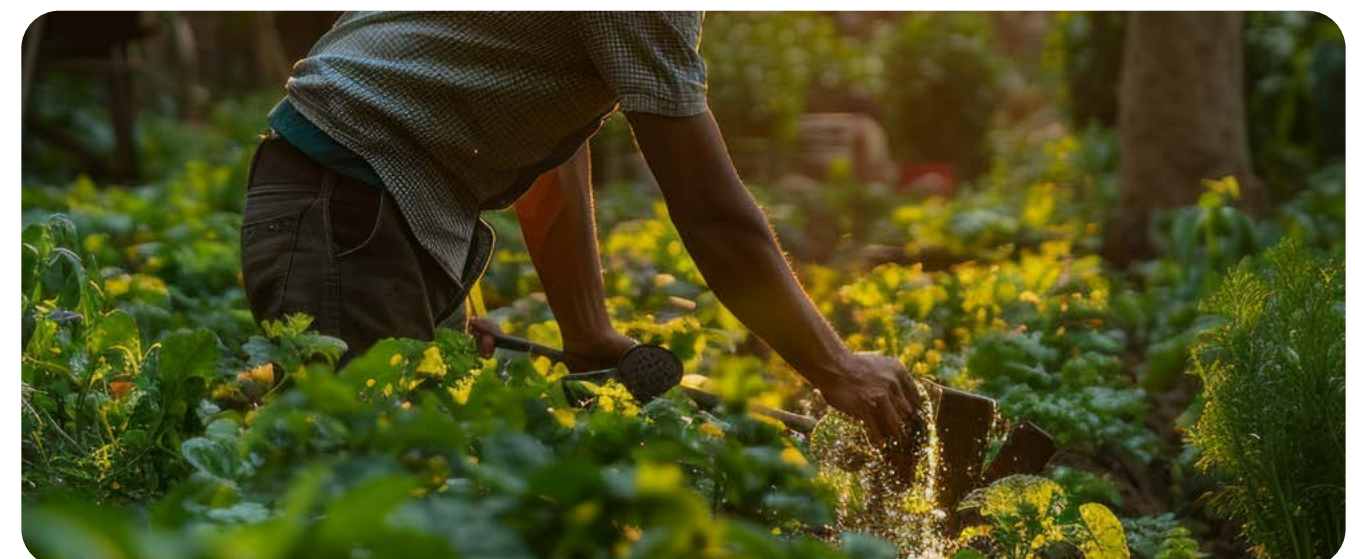
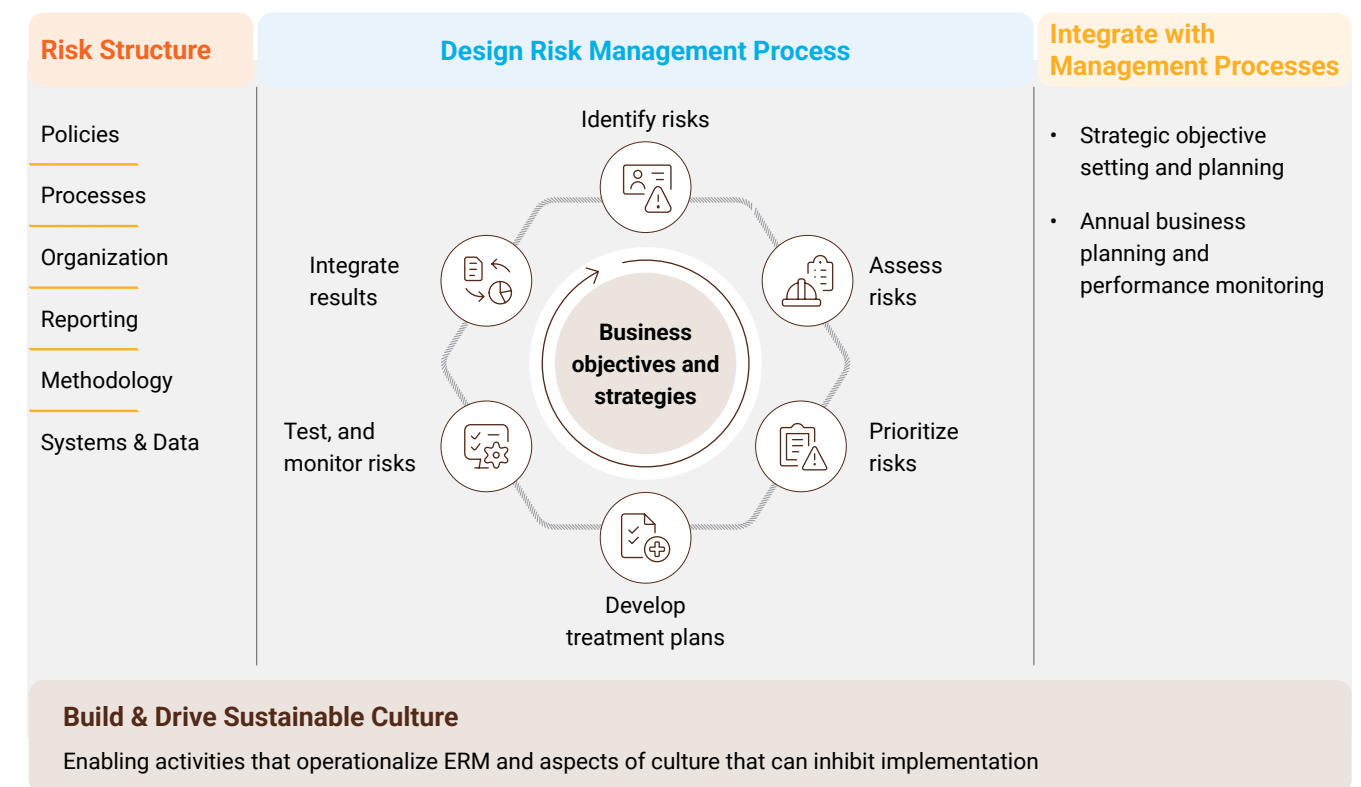
Risk Management

Steady Through Every Season

We face a variety of strategic, operational, financial and regulatory risks within an industry that is dynamic and is becoming increasingly global. The risk management framework aims to identify, evaluate, monitor and manage risks that could affect business continuity, business performance and business value creation.

Risk oversight is embedded within our governance framework and integrated into decision-making processes across the organisation. This enables timely responses to emerging challenges, strengthens organisational resilience and supports sustainable growth.

Risk Management Framework



Risk Resilience

L Low M Medium H High



Policy and Subsidy Environment

H

Key Exposure Area	Business Implication	Strategic Response	Emerging Opportunities
Changes in subsidy structures	Affects profitability of complex fertilisers	Optimised product portfolio for business resilience.	Improve product mix to strengthen operational agility.
Changes in government distribution timelines	Creates cash flow uncertainty and pricing challenges	Strengthened industry and government engagement. Enhanced financial monitoring and subsidy tracking. Conducted proactive gap analysis for better decisions.	Enhance collaboration with policymakers and industry stakeholders. Strengthen financial discipline through effective subsidy management. Greater resilience to raw material price volatility and market fluctuations.



Global Sourcing and Raw Material Availability

H

Key Exposure Area	Business Implication	Strategic Response	Emerging Opportunities
Dependence on imported raw materials	Volatility in raw material pricing (rock phosphate, sulphur, MOP, ammonia, phosphoric acid and sulphuric acid)	Diversified sourcing to strengthen supply resilience.	Reduce single-source dependency.
Geopolitical disruptions impacting global supply chain	Impacts cost structure and planning accuracy	Expanded alternate procurement channels. Enhanced supply chain agility and risk mitigation. Strengthened strategic supplier partnerships.	Enhance supply chain resilience. Improve sourcing flexibility and security. Strengthen disruption preparedness.



Environmental and ESG Compliance

M

Key Exposure Area	Business Implication	Strategic Response	Emerging Opportunities
Evolving Environmental regulations and Emission norms	Possible production stoppages, penalties, or reputational damage	Strengthened environmental governance and compliance.	Strengthen ESG leadership and differentiation.
Sustainability Expectations	Increased compliance costs and ESG scrutiny	Enhanced emissions monitoring and management. Invested in pollution control and sustainability. Improved environmental risk mitigation.	Build stakeholder trust through responsible practices. Enhance resilience through proactive environmental management. Drive long-term value through sustainable operations.



Foreign Exchange and Liquidity Exposure

M

Key Exposure Area	Business Implication	Strategic Response	Emerging Opportunities
Currency fluctuations	Hedging costs and potential margin erosion	Strengthened liquidity and working capital management.	Strengthen treasury and forex risk management.
Import linked procurement costs	Cash flow strain due to subsidy delays and forex pressure	Enhanced forex monitoring and hedging discipline. Prudent treasury and financial risk management. Strengthened receivables discipline.	Enhance margin protection through financial instruments. Improve credit control and dealer selection. Strengthen liquidity and working capital management.



Cybersecurity and Digital Risks

L

Key Exposure Area	Business Implication	Strategic Response	Emerging Opportunities
Increasing exposure to cyber threats	Loss of data, operational disruption, potential reputational loss	Strengthened cyber risk governance.	Build stronger digital infrastructure.
Phishing attacks		Enhanced system security and patch management. Reinforced IT infrastructure resilience. Improved cyber awareness and testing.	Enhance stakeholder trust through robust data security.



Talent and Leadership Continuity

L

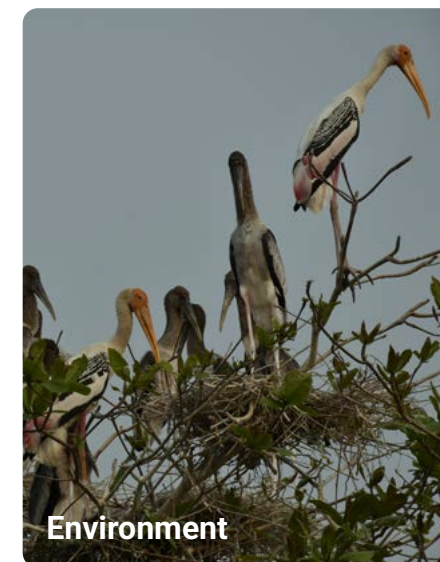
Key Exposure Area	Business Implication	Strategic Response	Emerging Opportunities
Evolving workforce expectations	Disruption in key business processes	Strengthened succession planning for critical roles.	Nurture future leadership internally .
Succession gaps	Knowledge continuity concerns	Enhanced knowledge management and transfer systems. Built talent pipelines through leadership development. Improved retention through career growth opportunities. Promoted cross-training and internal mobility.	Build a more adaptive, multi skilled workforce.

Sustainable Future

Cultivating Growth Beyond Today.

We recognise that the future of agriculture depends on the choices we make today. That is why sustainability is woven into the way we think, operate and grow. From promoting balanced nutrient management and resource efficiency to advancing circularity and community development, we are nurturing a future where productivity and responsibility go hand in hand. Through every initiative, we are striving to create progress that enriches the land, empowers people and endures for generations.

ESG



Environment



Social



Governance

At Paradeep Phosphates, sustainability is integral to our purpose of supporting Indian agriculture while creating long term value for stakeholders. Our ESG approach is embedded across operations and focuses on enhancing resource efficiency, strengthening community partnerships and upholding responsible business practices.

During FY26, we advanced our ESG journey through targeted environmental initiatives, community development programmes and strengthened governance frameworks. Investments in energy and water efficiency, biodiversity conservation, employee development and transparent disclosures reflect our commitment to building a resilient and future-ready organisation.

ESG at a Glance

76

S&P Global CSA Score

Nil

Data Breach Incidents

100%

Employee Life Insurance and Compensation

4th

ESG Report Published with External Assurance

Top 2%

Global Ranking in the Chemical Sector

2025

S&P Sustainability Yearbook Member

₹3.9 Crore

Invested in Skill Upgradation and Training

54.5%

Independent Board of Directors

WOW Workplace

Recognised by Jombay in 2025

100%

ESG Training for Employees



Environment

Protecting What Powers Tomorrow

As a crop nutrition Company, we recognise our responsibility to use natural resources efficiently while minimising our environmental footprint. Our environmental strategy focuses on resource stewardship, climate resilience, circularity and biodiversity conservation, supported by sustainable manufacturing practices and technology-led improvements.

Our investments focus on sustainable manufacturing practices, technology adoption and ongoing improvement efforts, helping to support long-term environmental stewardship.

Featured in S&P Sustainability Yearbook-2025

Top 2%

Global Ranking in Chemical Sector

Zero

Liquid Discharge Kept throughout Production Sites

100%

ESG Training C overage

Climate and Energy

We are working on further optimising our operations in terms of energy efficiency, for example by utilising waste heat, optimising processes and investing in energy-efficient technologies.

Key Initiatives

- Commissioned new sulphuric acid plants with integrated waste heat recovery systems
- Undertook equipment modernisation and process optimisation projects to improve energy performance
- Expanded utilisation of waste heat steam in manufacturing operations, reducing dependence on conventional energy sources
- Progressed renewable energy initiatives including floating solar installations
- Implemented advanced energy management systems and real time monitoring platforms

Performance Snapshot

100.21 GJ/Million

Energy Intensity

3.73 tCO₂/Million

Scope 1 and 2 GHG emissions intensity



Water Stewardship

Water conservation is a top priority throughout all of our manufacturing plants. Recycling and reusing water and optimising processes, helps us to keep using water more efficiently and to decrease our reliance on freshwater.

Key Initiatives

- Maintained Zero Liquid Discharge systems in manufacturing operations
- Installed ETP-RO infrastructure to improve the recycling and reuse of water
- Optimisation of processes and resource recovery to conserve water
- Reduced reservoir evaporation losses through floating solar installations
- Continued implementation of water efficiency projects aligned with long term conservation goals



Performance Snapshot

1 MLD

ETP-RO Recycling Facility Commissioned at Goa

8 m³/Tonne to

5.5 m³/Tonne

Reduction in Water Consumption in Mangalore Unit

Advancing Circular Economy

Through circular economy activities, we aim to create value out of by-products and waste streams to achieve maximum use of resources and minimum generation of waste.

Key Initiatives

- Increase in the application of phosphogypsum and other by-products in other industrial processes
- Continued development of Zypmite, a value-added product that facilitates circular resource utilisation
- Improved waste sorting, recycling and reuse initiatives at facilities
- Promoted recovery and reuse of process materials to achieve resource efficiency

Performance Snapshot

1.60 MMT

Waste Recycled in FY26

0.04 MMT

Waste Reused in FY26

0.05 MMT

Zypmite Produced in FY26



Conserving Biodiversity

Biodiversity conservation forms an important part of our environmental stewardship efforts. Our initiatives focus on protecting ecological habitats, strengthening environmental awareness and preserving natural ecosystems surrounding our operations.

The Paradeep manufacturing complex supports a rich ecological landscape and serves as a seasonal habitat for more than 42,000 migratory birds representing over 50 species. The site's wetlands, grasslands and woodland habitats contribute significantly to regional biodiversity and ecological resilience.

Key Initiatives

- Conducted biodiversity monitoring and conservation programmes at manufacturing location
- Implemented plantation and habitat enhancement activities in areas of operation
- Conducted biodiversity assessments to enhance knowledge of the ecological impacts and opportunities
- Encouraged staff and community to be more environmentally conscious and aware of the need to conserve the environment

Performance Snapshot

42,000+

Migratory Birds Hosted Annually at Paradeep

50+ Species

Migratory Bird Species Recorded at Paradeep

2,280 Acres

Ecologically Diverse Paradeep Site Supporting Wetlands, Grasslands and Woodland Habitat



Environmental Compliance and Management System

Environmental performance is supported by good management systems, continuous monitoring and compliance with internationally recognised environmental standards.

Our Certifications

ISO 14001:2015
– Environmental
Management
Systems

ISO 50001:2018
– Energy
Management
System

IFA Protect
and Sustain
Certification



Social

The Reach of Our Responsibility

Creating enduring value extends beyond business performance. It includes contributing meaningfully to the wellbeing of communities and supporting inclusive development in the regions where we operate.

Our CSR approach is centred on community participation, strategic partnerships and outcome-driven interventions that address local priorities while strengthening social resilience. Through focused investments in healthcare, education, livelihoods, environmental stewardship and rural infrastructure, we seek to create lasting impact.

12.78 Crore

CSR Expenditure

1,14,482

Lives Impacted

Our CSR Vision & Mission

We integrate our CSR into our strategy, linking it with sustainability and social impact. Through effective communication, we strengthen our brand identity, while aligning business goals with societal benefits.



Our CSR Approach

At Paradeep Phosphates, our CSR programme, **Navratna Prayas**, is guided by the belief that sustainable business growth must create lasting value for communities. Through focused interventions in healthcare, education, livelihoods, environmental sustainability and rural infrastructure, we work to improve quality of life across our operational geographies.

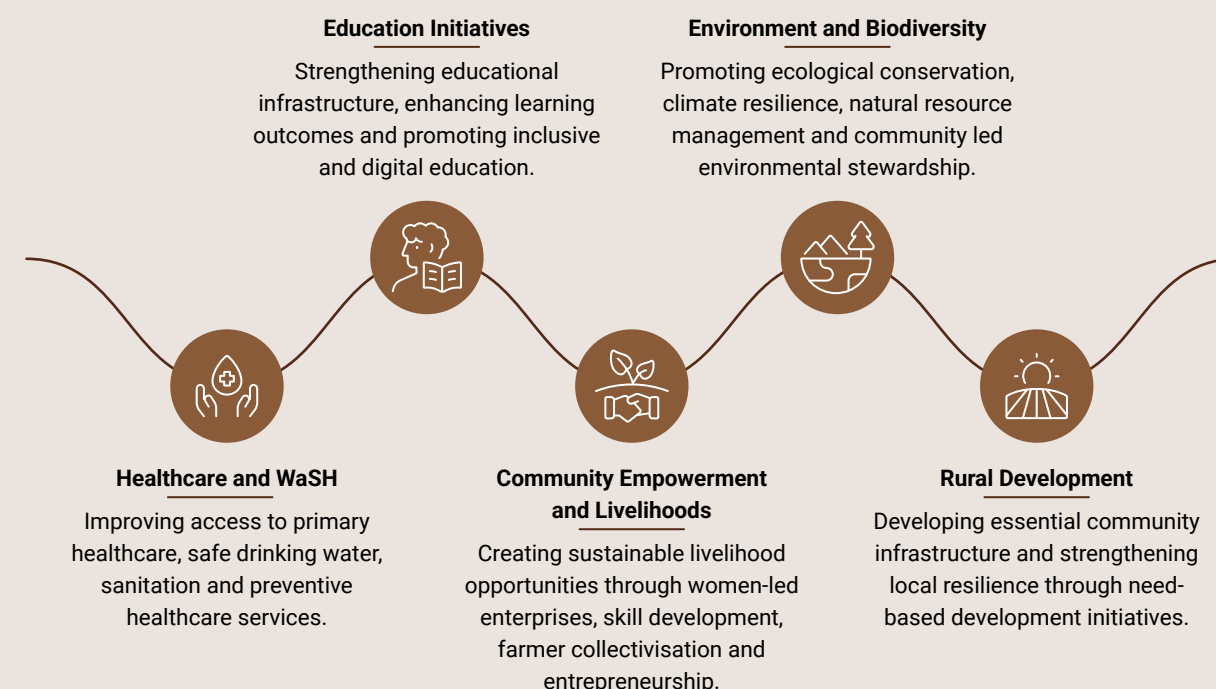
Our initiatives are implemented around our manufacturing locations in Paradeep, Goa and Mangalore, with priority given to communities in the immediate plant vicinity while also supporting wider regional development needs.

Community participation is central to our approach. Through need assessments, stakeholder consultations and engagement with local institutions, we ensure that our programmes address genuine community priorities and deliver sustainable outcomes.



PPL, Paradeep Unit, was recognised by the Hon'ble Minister for Forest, Environment & Climate Change and Labour & ESI, Government of Odisha Shri Ganesh Ram Singh khuntia, for its significant contribution to the Coastal Ecosystem Restoration Programme organised by CeRCA, an independent environmental research organisation in Odisha.

Our Five Strategic Pillars



Healthcare and WASH

Our healthcare projects emphasized enhancing access to primary and preventive healthcare services, improving sanitation and nutrition and accessing safe drinking water.

28,926

Lives Impacted

At Paradeep Unit

Drinking Water Supply through Tankers

Safe drinking water was supplied through tankers to Chanakana village, where groundwater salinity had limited access to potable water. Each household received a minimum of 100 litres of water daily based on family size. **The initiative benefited 59 households (273 villagers), improving access to safe water and reducing the burden of water collection.**



Mobile Healthcare Unit (MHU)

The MHU delivered free primary healthcare services across 36 villages through consultations, diagnostics, medicines and home-based care for elderly and bedridden patients. **During January–March 2026, the programme provided 7,645 treatments and conducted 76 home healthcare visits, strengthening healthcare access in underserved communities.**



Sustainable Drinking Water Infrastructure for Rural Communities

Solar-powered deep borewell and overhead water supply systems were installed in Naudia and Bagadia villages, each comprising a 5,000-litre storage tank and dual collection points. **The systems provide a sustainable source of safe drinking water to nearly 350 families.**



Specialised Health Camps

Five multi-specialty health camps were organised across Bagadia, Fatepur, Kothi, Mangarajpur and Gopiakuda Gram Panchayats, offering services in general medicine, dermatology, orthopaedics and paediatrics. **The camps provided specialised medical consultations and treatment to 1,570 patients.**



Community owned and managed RO water purification systems were established in Mangarajpur Gram Panchayat and Balijhara slum to provide affordable purified drinking water. **The initiative benefited around 1,000 households, including 750 households in Mangarajpur and 250 households in Balijhara.**



Ni-kshay Mitra Programme

Under the Government of India's TB Mukht Bharat Abhiyan, PPL supported TB patients across Jagatsinghpur, Manijanga and Raghunathpur blocks through nutritional care and awareness initiatives. **A total of 632 nutrition baskets were distributed to 115 TB patients, contributing to the successful recovery of 92 patients during the year.**



At Goa Unit

Eye Care and Vision Support

Seven eye screening camps were organised in Sancoale to improve access to preventive eye care and early diagnosis of vision-related issues. **The initiative benefited 2,314 residents, with 1,380 spectacles distributed free of cost to those requiring vision correction.**



Medical Infrastructure for Palliative Care

Critical medical equipment, including ICU beds, cardiac monitors and side tables, was provided to the Dilasa Palliative Care Centre to strengthen healthcare infrastructure and improve patient care. **The intervention enhanced access to quality healthcare services for palliative care patients at no cost.**



Improvement Ensuring Safe Water and Sanitation for Communities

Year-round drinking water support was provided to Bellem and Dando villages under the Velsao Village Panchayat to improve access to safe and reliable drinking water. **The initiative benefited 24 families through a consistent supply of quality drinking water.**

A toilet block was constructed at Upasnagar Anganwadi to improve hygiene and sanitation facilities for children. **The initiative directly benefited 120 students by providing access to safe and hygienic sanitation infrastructure.**



At Mangalore Plant

Support the Person with Disabilities

To improve healthcare access and quality of life for Divyangjan communities, artificial limbs, wheelchairs and hearing aids were provided to eligible beneficiaries. **The initiative benefited 20 persons with disabilities, including 14 artificial limb recipients, 4 wheelchair recipients and 2 hearing aid recipients, enabling greater mobility and independence.**



Strengthening Public Healthcare Infrastructure

Essential medical equipment was provided to government hospitals in Mangalore and Karkala to strengthen public healthcare services. Support included hospital beds, bedside lockers, a patient shifting trolley, a patient monitor for the NICU at Government Lady Goschen Hospital and orthopedic equipment for Government Hospital, Karkala. **The intervention enhanced patient care infrastructure across multiple public healthcare facilities in the region.**

Eye Care Camps

Six free eye care camps were organised across Sarapady, Vagga, Moodabidre, Surathkal, Puttur and Nidle Beltangady to promote preventive eye care and vision correction. **A total of 1,296 beneficiaries were screened and 747 free spectacles were distributed to those requiring vision correction.**



Education and Early Childhood Development

Access to quality education was continued through infrastructure development, digital learning and scholarships and child development programmes.

30,425
Lives Impacted

At the Paradeep Unit

Transforming Schools through Quality Infrastructure and Clean Energy

PPL supported the Government of Odisha's flagship school transformation programme through an investment of ₹2.40 crore for infrastructure upgrades across 45 government schools in Kujang Block. **The initiative is expected to benefit over 8,000 students through improved classrooms, sanitation, drinking water and sports facilities.**

Solar power systems were installed in two schools in Balijhara slum to ensure uninterrupted digital learning and improve classroom infrastructure. **The intervention benefits more than 954 students through enhanced access to technology-enabled education.**

Promotion of Public Libraries in Project Villages

Community libraries were established in Narayanpur and Mangarajpur to promote reading, self-learning and access to educational resources. **The initiative benefits over 1,000 households by providing access to books, newspapers, magazines and competitive examination materials.**



Model School Initiative

Teacher training and academic support programmes were implemented to improve learning outcomes and strengthen Class 10 examination performance in Kujang Block.

Navratna Balyagraha Initiative

Anganwadi centres were upgraded into child-friendly learning spaces with improved infrastructure, sanitation and learning facilities. **The programme has developed 35 Anganwadi centres and benefits over 1,000 children annually, along with women and adolescent girls accessing nutrition and health services.**



At the Goa Unit

Provision of Smart Boards in Government Schools

Smart boards were installed in government schools to strengthen technology-enabled learning. **The initiative benefited 225 students through more interactive and effective classroom education.**



Scholarships for Engineering Students

Scholarships were provided to support higher education among deserving students from economically weaker backgrounds. **The initiative enabled 3 engineering students to continue their education without financial constraints.**



All Goa Quiz Competition

An inter-school quiz competition was organised to encourage academic excellence and knowledge sharing. **The event witnessed participation from 227 students representing 21 schools.**



Advanced Laboratory Equipment for Educational Institutions

Advanced laboratory equipment and science laboratory infrastructure were provided to educational institutions to strengthen practical learning and research capabilities. **The intervention benefited 245 students across schools and colleges.**



Cyber Security Training for School Students

Cyber awareness programmes were conducted across schools to educate students on digital safety and fraud prevention. **The initiative reached 375 students across 51 schools.**



Support of School Bags and Stationery to Needy Students

School bags and stationery kits were distributed to encourage school attendance and support learning. **The initiative benefited 200 students from underserved communities.**



Provision of Photocopy Machine and Inverter at Arlekar School

A photocopy machine and inverter were provided to ensure uninterrupted academic activities and access to study materials. **The intervention benefited 120 students.**



At the Mangalore Unit

Inclusive Education

A school van was provided to a special school for children with disabilities to improve access to education and safe transportation. **The initiative enhanced mobility and educational access for children with special needs.**



Infrastructure Improvement at Various Education Facilities

Educational infrastructure support included classrooms, science laboratories, furniture, computers, library resources, water purifiers, Anganwadi buildings and sanitation facilities across multiple institutions. **The initiative strengthened learning environments and access to essential facilities for students across the region.**

Language and Cultural Preservation

Support was extended to promote and preserve the Tulu language and script through awareness, documentation and dissemination activities. **The initiative contributed to safeguarding the cultural and linguistic heritage of coastal Karnataka.**



Community Empowerment and Livelihood

Skill development, promotion of entrepreneurship and self-help groups continued to be a key to livelihood enhancement and community empowerment.

8,477

Lives Impacted

At the Paradeep Unit

Promoting Sustainable Agriculture and Allied Livelihoods

Climate-resilient livelihood initiatives, including mushroom cultivation, tissue culture banana farming, beekeeping, vermicomposting and floriculture, were promoted to enhance farm productivity and income diversification. **The programme supported hundreds of farmers and SHG members, creating sustainable income opportunities through improved agricultural practices and allied activities.**



Strengthening Rural Enterprises and Women-Led Livelihoods

Women-led micro-enterprises such as terracotta production, sanitary napkin manufacturing, tailoring, jute handicrafts, agarbatti production and paper plate making were strengthened through infrastructure, training and market support. **The initiatives created sustainable livelihood opportunities for over 100 women entrepreneurs and producer group members while enhancing local enterprise development.**



Institution Building and Market Linkages through FPO

Utkaldeep Farmer Producer Company Limited was strengthened to improve market access, value addition and entrepreneurship among rural women. **The FPO has mobilised over 540 women shareholders, enabling collective enterprise development and improved income opportunities.**



At the Goa Unit

Confectionery and Food Processing Training at Margao

Skill development training in confectionery and food processing was provided to women from slum communities to promote self-employment and income generation. **The programme enabled participants to undertake cooking orders, with families establishing new livelihood opportunities.**



Strengthening Self Help Group Activities

Tailoring training, sewing machines and infrastructure support were provided to women's SHGs to promote entrepreneurship and income generation. **The initiative supported women-led enterprises, including the development of the "Mayecha Dhaga" baby clothing brand and community-based tailoring services.**



Promotion of Agriculture Productivity

Training and agricultural support were extended to farmers to improve soil health and enhance productivity. **The intervention benefited 118 farmers and brought 40 acres of previously fallow land under cultivation.**



Mental and Physical Health Awareness for Rural Women

Awareness and capacity-building programmes were organised to promote women's health, well-being and community engagement. **The initiative reached 800 rural women, enhancing health awareness and peer learning.**



At the Mangalore Unit

Community Development and Livelihood Promotion

Under the VIRAT programme, women were provided skill training in tailoring, AARI embroidery and artificial jewellery making to strengthen livelihood opportunities and financial independence. **The initiative empowered 198 women through market-oriented skill development and self-employment opportunities.**



Environment and Biodiversity

Our environment initiatives combine ecological conservation with community participation and long term benefits for both people and planet

39,627

Lives Impacted through Environmental Sustainability Initiatives

At the Paradeep Unit

Mangrove Plantation and Restoration

A community-led mangrove restoration programme was implemented to strengthen coastal resilience, biodiversity and climate adaptation. **A total of 25,000 mangrove saplings were planted, achieving an 88% survival rate (22,109 saplings), with a nursery capacity of 35,000 saplings developed to support long-term ecosystem restoration.**



Solar Street Light Installation in Villages

Solar street lights were installed across project villages to improve safety, mobility and access to clean energy. **The initiative provided 80 solar street lights across five villages, benefiting residents through enhanced visibility and safer public spaces.**



Surface Water Management through GIS-Based Mapping and Planning

A GIS-based water resource management programme was undertaken in partnership with Amrita Vishwa Vidyapeetham to strengthen water security and conservation planning. **The initiative enabled scientific mapping of water resources and identification of sites for water harvesting, recharge and pond restoration to support long-term village water management.**



At the Goa Unit

MRF Facility at Sancoale Village

A Material Recovery Facility (MRF) was strengthened through the installation of waste-processing infrastructure to improve solid waste management. **The initiative reduced garbage black spots, improved village cleanliness and enhanced awareness on waste segregation.** Support was provided to upgrade the existing MRF facility and improve waste segregation and disposal systems. **The intervention contributed to cleaner surroundings and reduced environmental degradation through improved waste management practices.**



Tree Plantation Drive

Tree plantation drives were conducted to increase green cover and promote environmental conservation. **A total of 1,200 mango saplings were planted across Sancoale and Velsao villages with active community participation.**

At the Mangalore Unit

Environment Awareness Initiative

Environmental awareness programmes were conducted through 100 outreach shows in schools to encourage sustainable practices and reduce plastic usage. **The initiative sensitised students on environmental protection and responsible behaviour.**



Sustainable Waste Management Practices

An electronic lorry weighbridge was established under Material Recovery Facility projects to strengthen waste management systems. **The intervention improved the monitoring and efficient handling of waste resources.**

Afforestation and Conservation Efforts

Support was extended for Miyawaki forest development and plantation activities to enhance biodiversity and ecological balance. **The initiatives contributed to the creation and maintenance of native green cover across project locations.**





Landscaping and Beautification through Plantation

Plantation and landscaping activities were undertaken along NH-66 to improve aesthetics and environmental sustainability. **The initiative enhanced roadside greenery across 0.4 acres of land.**

Installation of Solar Street Lights

Solar street lights were installed in OBC girls' hostels to improve safety and energy efficiency. **The initiative benefited approximately 2,400 students across 24 hostels.**



Rural Development

Through targeted investments in community infrastructure and public assets, we seek to enhance quality of life, support local resilience and contribute to the socio-economic development of the communities surrounding our operations.

7,027

Lives Impacted through Rural and Slum Development Programmes

At the Paradeep Unit

Development of Community Infrastructure

Community infrastructure projects were undertaken to improve social amenities, connectivity, sanitation and public facilities across project villages. **The initiative included the construction of three community halls benefiting approximately 2,700 households, crematorium infrastructure serving over 1,148 households, a school boundary wall benefiting 403 students, road connectivity improvements for 59 households and drainage infrastructure to improve sanitation and hygiene.**



At the Goa Unit

Digital and AI Training for SHG Women

Training on digital platforms and basic AI tools was provided to rural women to strengthen digital literacy and market access. **The initiative enabled SHG members to market and sell their products through digital channels, enhancing livelihood opportunities.**



Development of Zuarinagar Slum Area

Infrastructure improvements were undertaken to enhance sanitation, drainage and living conditions. **The intervention protected 55 households from rainwater ingress and improved community hygiene and health outcomes.**



Installation of Sluice Gate at Bella Band, Velsao

A sluice gate was installed to prevent seawater intrusion into agricultural land and safeguard rural livelihoods. **The initiative protected 80 acres of paddy fields from salinity, supporting agricultural productivity and soil health.**



At the Mangalore Unit

Community Infrastructure Development

Support was provided to community halls through furniture, power backup systems and infrastructure upgrades to strengthen spaces for social and cultural activities. **The initiative enhanced the functionality and accessibility of community facilities across multiple locations.**



Public Service and Safety Support

Raincoats were distributed to police personnel and computers were provided to the Revenue Department, Karkala, to strengthen operational efficiency and service delivery. **The intervention improved public service infrastructure and administrative effectiveness.**



Creating Sustainable Community Impact

Our CSR programmes are built to generate lasting value by meeting critical social and developmental needs and enabling communities to create a more resilient future. We are committed to our role in inclusive growth and sustainable development through ongoing engagement, impact assessment and joint implementation.



Governance

The Ethics Behind Our Advancement

Strong governance supports our commitment to business integrity, accountability and sustainable value creation. Our governance framework guides decision-making, reinforces ethical business conduct and supports effective risk management, enabling us to respond responsibly to an evolving operating environment while meeting regulatory requirements and stakeholder expectations.

The framework also provides oversight of sustainability performance, responsible business practices and transparent disclosures. During FY26, we advanced our ESG governance agenda through structured monitoring mechanisms, strengthened disclosures and deeper integration of sustainability considerations into business processes across environmental, social and governance dimensions.

Our Corporate Governance Structure

Building Trust Through Accountability and Responsible Leadership

Paradeep Phosphates Limited is committed to maintaining the highest standards of corporate governance, founded on the principles of integrity, transparency, accountability, fairness, and ethical business conduct. Our governance framework enables effective oversight, prudent risk management, regulatory compliance, and sustainable value creation for all stakeholders.

The Board of Directors provides strategic direction and oversees the Company's performance, while its Committees support focused decision-making across key governance areas. A robust internal control environment, strong compliance culture, and well-defined policies ensure that governance remains embedded across all levels of the organisation.

Statutory Committees

Audit Committee

5
Meeting Held in FY26

86.67
Attendance (in %)

Nomination & Remuneration Committee

3
Meeting Held in FY26

100
Attendance (in %)

Stakeholders Relationship Committee

1
Meeting Held in FY26

100
Attendance (in %)

Risk Management Committee

2
Meeting Held in FY26

75
Attendance (in %)

Corporate Social Responsibility and ESG Committee

1
Meeting Held in FY26

100
Attendance (in %)

The Board of Directors provides strategic guidance and oversight across critical aspects of the Company's business, ensuring sustainable growth, effective risk management, and long-term value creation for stakeholders.

Area of Oversight

Strategy & Business Growth

Financial Performance

Operational Excellence

Risk Management

Corporate Governance & Compliance

Sustainability & ESG

People & Leadership

Stakeholder Engagement

Innovation & Digital Transformation

Internal Controls & Assurance

Board Composition and Structure

The Board of Directors of Paradeep Phosphates Limited comprises a balanced mix of Executive, Non-Executive and Independent Directors aligned with the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements), 2015, bringing together diverse expertise across business leadership, finance, governance, strategy, agriculture, sustainability, law and public policy. This diverse composition enables the Board to provide effective strategic guidance, independent oversight and informed decision-making while safeguarding the interests of all stakeholders.

1

No. of Executive Directors

6

No. of Independent Directors

4

No. of Non executive Directors

11

Total Board Size

18.2%

Board Diversity
(% of women in BOD)

50%

Target Share of
Independent Directors (%)

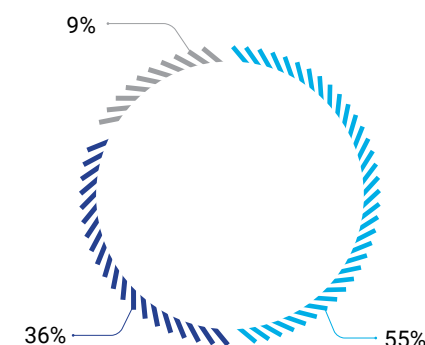
7

No. of Board Meetings

95%

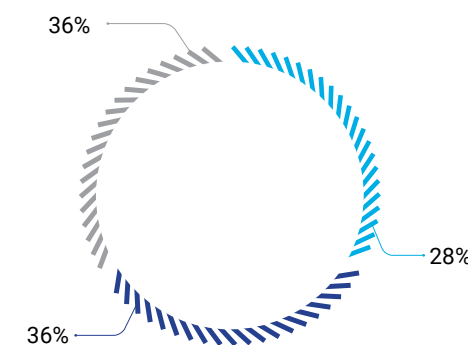
Average Board
Meeting Attendance

Board Composition



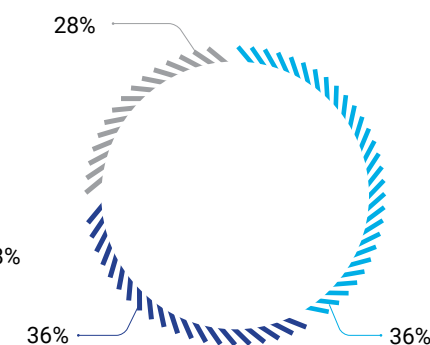
- Independent Directors - 6
- Non-Executive Directors - 4
- Executive Directors - 1

Board Diversity by Age as on 01.04.2026



- 49-55 Years - 3
- 56-70 years - 4
- more than 70 years - 4

Tenure on Board



- 0 to 3 Years - 4
- 3 to 6 years - 4
- more than 5 Years - 3

Board Expertise and Diversity

Our Board comprises seasoned professionals with extensive industry experience and specialised domain knowledge. As the Company's highest governing body, it provides strategic direction, oversees governance and risk management and ensures compliance with applicable laws and regulations.

Area of Expertise		% of Total Directors
Financial Expertise	7	63
Industrial Expertise	6	54
General Management and Leadership	11	100
Compliance and Governance	11	100
Business Development	6	54
Strategic Planning	7	63
Risk Management	6	54

Transparency and Disclosure

We continue to strengthen transparency through sustainability reporting, disclosures and stakeholder communication.

Key Highlights

- Recognised as the only Indian fertiliser Company included in the S&P Sustainability Yearbook 2026
- Maintained a digital ESG profile covering environmental, social and governance disclosures
- Continued alignment of ESG reporting with recognised sustainability frameworks

Ethics and Compliance

We remain focused on maintaining robust compliance systems and responsible business practices across our operations.

Key Highlights

Nil

Penalty Disclosures

Nil

Data Breach Incidents

90%

Coverage on ESG Training

Key Policies

- Code of Conduct
- Board Diversity Policy
- Whistle-Blower Policy
- Prevention of Sexual Harassment Policy
- Integrated Management System (IMS) Policy
- Human Rights Policy
- Corporate Social Responsibility (CSR) Policy
- Supply Chain Code of Conduct
- Environment Policy
- Biodiversity and No-Deforestation Policy
- Tax Policy
- Health and Safety Policy
- Anti-Bribery and Anti-Corruption Policy

Board of Directors



Mr. Saroj Kumar Poddar
Chairman



Mr. Akshay Poddar
Vice Chairman



Mr. N Suresh Krishnan
Managing Director and CEO



Mr. Rajeev Nambiar
Joint Managing Director & COO*



Mr. Soual Mohamed
Non-Executive Director



Mr. Karim Senhadji
Non-Executive Director



Mr. Dipankar Chatterji
Independent Director



Mr. Satyananda Mishra
Independent Director



Mr. Subhrakant Panda
Independent Director



Mrs. Rita Menon
Independent Director



Mrs. Ruchira Kamboj
Independent Director



Mr. Marco Wadia
Independent Director

(M) Member **(C)** Chairperson

- Audit Committee
- Nomination and Remuneration Committee
- Risk Management Committee

- Stakeholders' Relationship Committee
- Corporate Social Responsibility and ESG Committee
- Finance Committee

* w.e.f. 1st April, 2026

Senior Executive Team



Mr. N Suresh Krishnan
Managing Director & CEO



Mr. Rajeev Nambiar
Joint Managing Director & COO



Mr. Harshdeep Singh
President & Chief
Commercial Officer



Mr. Bijoy Kumar Biswal
Jt. President & Chief
Financial Officer



Mr. Rajneesh Bhardwaj
Jt. President & Chief Human
Resources Officer



Mr. Raj Kumar Gupta
Jt. President & Chief
Procurement Officer



Mr. Nilesh Dessai
Jt. President - Operations



Mr. Palanisamy Velusamy
Vice President - Projects



Mr. S. Girish
CMO & Unit Head -
Paradeep Plant



Mr. Suresh Pramanik
CMO & Unit Head -
Goa Plant



Mr. Shanmugam Palanikumar
CMO & Unit Head -
Mangalore Plant



Mr. V. Vinay
Chief Sustainability
Officer



Mr. Alok Saxena
Head Corporate Finance
and Investor Relations



Mr. Sachin Patil
Company Secretary and
Compliance Officer

Corporate Information

Corporate Identification Number

L20122OR1981PLC001020

Registered Office

5th Floor, Bayan Bhavan,
Pandit Jawaharlal Nehru Marg,
Bhubaneswar - 751001, Odisha,
India

Corporate Office

3rd Floor, Adventz Centre, 28, Union
Street, Off Cubbon Road, Bengaluru -
560001, Karnataka, India

Bankers

State Bank of India
Canara Bank
Punjab National Bank
Axis Bank Limited
HDFC Bank Limited
ICICI Bank Limited
DBS Bank India Limited
Union Bank of India
Bank Of Baroda
Bank of India
IndusInd Bank Limited
Yes Bank Limited
RBL Bank Limited
IDBI Bank Limited

Statutory Auditors

M/s. B S R & Co. LLP Chartered Accountants

Godrej Waterside, Unit No. 603,
6th Floor, Tower 1, Sector V, Salt Lake,
Kolkata - 700091, West Bengal, India

Cost Auditor

M/s. S. S. Sonthalia & Co.
Bhubaneswar

Secretarial Auditor

M/s. Sunita Jyotirmoy and
Associates
Bhubaneswar

Registrar and Transfer Agents

M/s. MUFG Intime India Private Limited

(formerly known as Link Intime India Private Limited)

C-101, 1st Floor, 247, Lal Bahadur
Shastri Marg, Vikhroli(West), Mumbai
- 400083, Maharashtra, India
Tel : +91 22 4918 6200
Email : investor.helpdesk@in.mpms.mufg.com
mufg.com
Website : www.in.mpms.mufg.com

Plant Site

Paradeep Unit

Paradeep,
Dist - Jagatsinghpur, Odisha

Goa Unit

Zuarinagar, Goa

Mangalore Unit,

Panambur -Mangaluru

Mahad Unit,

Dist. Raigad Maharashtra

Listing & Stock Code

- National Stock Exchange of India Limited: PARADEEP
- BSE Limited: 543530

Management Discussion and Analysis

Economy Overview

Global Economy

In a year characterised by escalating trade tensions and heightened geopolitical uncertainties, the global economy demonstrated resilience with GDP growth of 3.4% in Calendar Year (CY) 2025. This performance was supported by multiple factors. Front-loaded trade activity provided impetus to manufacturing and logistics, while sustained investments in Artificial Intelligence (AI), semiconductor ecosystems and digital infrastructure, particularly in North America and parts of Asia, strengthened capital expenditure cycles. Concurrently, supportive fiscal measures across major economies helped maintain a balance between economic stability and growth stimulus.

Advanced economies recorded growth of 1.9% during the year, reflecting moderate yet steady expansion supported by stable policy environments, despite persistent trade-related pressures. In contrast, emerging markets and developing economies grew by 4.4%, driven by robust domestic demand, resilient services activity and continued public investment. However, several smaller economies remained constrained by limited fiscal capacity, currency volatility and elevated debt burdens.

Policy responsiveness and ongoing technological advancement have continued to support global economic stability. However, the global economy remains exposed to potential trade disruptions and geopolitical risks. Escalating tensions in West Asia have added further uncertainty to the macroeconomic environment.

While global growth has remained steady, the international landscape continues to face heightened geopolitical risks. Disruptions around critical chokepoints, such as the Strait of Hormuz, are constraining key energy supply routes. This has led to increased volatility in oil markets, elevating fuel costs and creating ripple effects across global logistics and industrial production worldwide. In response, several countries have intensified diplomatic engagement and diversifying energy sourcing and crude import channels to mitigate supply risks.

Outlook

Due to potential escalations in trade tensions and a deterioration in financial sentiment, the Global growth is expected to moderate

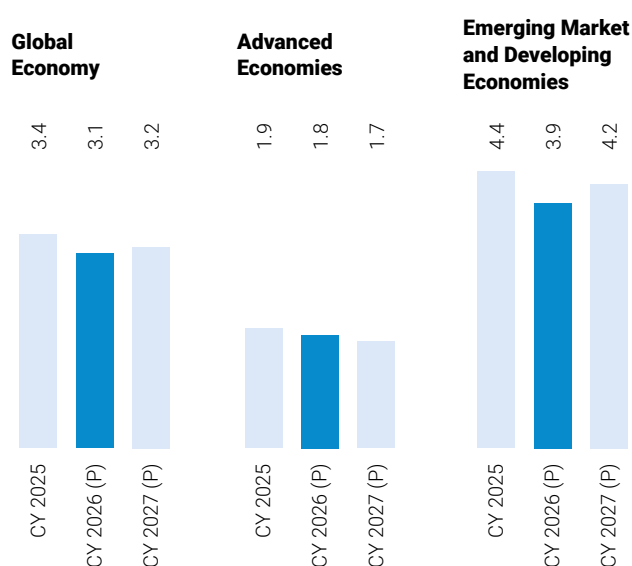
at 3.1% in CY 2026 then slightly improving to 3.2% in CY 2027. Over the longer term, this reflects the impact of easing inventory cycles, trade-related pressures and softer consumption trends across major economies.

Inflation is expected to be volatile with Global headline inflation is projected to rise to 4.4% in CY 2026 before easing to 3.7% in CY 2027, with upward adjustments made to forecasts for both years. The uptick is due to the evolving geopolitical developments could particularly impact energy markets, resulting in temporary cost pressures and supply-side disruptions.

Overall, while the growth trajectory remains stable, the global environment necessitates a measured approach, with continued emphasis on resilience and adaptability. Sustained economic expansion will depend on deeper trade integration, institutional reforms and stronger investment-driven growth, particularly across emerging markets.

Global GDP Growth Trend

(in %)



P – Projections

Source – IMF

Global Macro Disruptions and Supply Chain Realignment

Disruption Theme	Key Developments	Business & Supply Chain Impact
 Geopolitical Conflicts & Trade Route Instability	The ongoing impact of the Russia-Ukraine conflict continues to disrupt global grain, fertiliser and energy markets. Concurrently, escalating tensions in West Asia, including the widening conflict involving Israel, Iran and the United States have significantly heightened geopolitical risk. These developments have disrupted key maritime routes, including the Red Sea and raised concerns over the stability of the Strait of Hormuz.	Higher freight and insurance costs, extended transit timelines and increased supply uncertainty across energy, fertilisers and agri-commodities. Companies are accelerating diversification of sourcing, rerouting logistics and building strategic inventories to mitigate risks.

¹<https://www.imf.org/en/publications/weo/issues/2026/04/14/world-economic-outlook-april-2026>

²<https://www.imf.org/-/media/files/publications/weo/2026/april/english/execsum.pdf>

Disruption Theme	Key Developments	Business & Supply Chain Impact
 Protectionism & Tariff Escalation	Renewed protectionist policies, particularly in the United States, have resulted in aggressive tariff measures targeting China and key industrial sectors, prompting retaliatory actions and increasing fragmentation in global trade.	Increased input cost volatility and supply chain reconfiguration. Businesses are shifting toward regionalised manufacturing and rebalancing export strategies amid evolving trade barriers.
 Climate Volatility & Agricultural Disruptions	The increasing frequency of extreme weather events, including droughts, floods and erratic rainfall across major agricultural regions. Persistent water constraints in critical choke-points such as the Panama Canal have further impacted cargo movement.	Lower agricultural yields, commodity price volatility and increased logistics costs, resulting in procurement uncertainty and margin pressures for agri-linked industries.
 Global Logistics & Maritime Bottlenecks	Ongoing disruptions in the Red Sea, vessels rerouting and congestion at alternative ports have structurally altered global shipping patterns. War-risk premiums and vessel insurance costs remain elevated.	Structural increase in logistics costs and working capital requirements due to longer inventory cycles. Supply chain resilience and route optimisation have become strategic priorities.
 Energy Market Volatility	Geopolitical tensions, particularly in West Asia, continue to drive volatility in crude oil and natural gas markets highly volatile, with periodic supply concerns impacting global benchmarks.	Elevated fuel and energy costs affecting transportation, manufacturing and fertiliser production, placing continued pressure on margins and pricing strategies across industries.
 Food Security & Inflationary Pressures	The combined effects of geopolitical conflicts, climate disruptions and trade restrictions have intensified global food security concerns, with staple prices remaining elevated in several regions.	Increased government intervention, subsidy support and regulatory oversight. Businesses must balance cost pressures with demand sensitivity and affordability considerations.

Indian Economy

India has reinforced its position as one of the fastest-growing major economies globally. Real GDP was estimated to grow by approximately 7.6% in FY 2026, compared with 7.1% in the previous year, reflecting sustained momentum. Growth is supported by resilient rural demand, healthy agricultural output and a gradual improvement in industrial activity.

Government initiatives, including the Production Linked Incentive (PLI) schemes, continue to support manufacturing, while the services sector remains a key growth driver. Sustained public investment in infrastructure is also aiding overall expansion.

Inflation remains well contained, with the latest Consumer Price Index (CPI) at 3.40% based on the revised 2024 base year. Stable inflation has supported purchasing power and demand across both urban and rural markets. This is further reinforced by measures such as income tax relief, ongoing GST rationalisation efforts and an accommodative monetary policy stance, which together are sustaining consumption.

India is also strengthening its integration with global value chains. Ongoing trade negotiations with the United States and the European Union are expected to boost exports, enable

technology transfer and attract long-term investment. In response to geopolitical developments in the Middle East, India has diversified crude oil sourcing and strengthen alternative supply channels, improving overall energy security.

Outlook

Looking ahead, India is projected to remain the fastest-growing major economy. Real GDP growth for FY 2027 is expected in the range of 6.8% to 7.2%, supported by continued government capital expenditure and a recovery in private consumption. Real Private Final Consumption Expenditure was projected to grow by around 7.0% in FY 2026, indicating improving demand.

Ongoing structural reforms, including GST rationalisation, progress on new and upgraded free trade agreements and continued efforts to improve the ease of doing business.

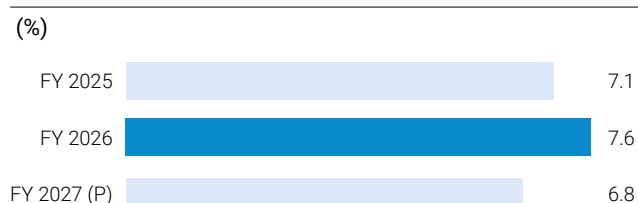
Inflation is likely to remain moderate under the revised base year framework, providing room for the Reserve Bank of India (RBI) to maintain a supportive monetary policy stance. This is expected to facilitate investment and sustain credit growth, even as global conditions remain uncertain due to tariff pressures and geopolitical uncertainties.

³https://www.mospi.gov.in/uploads/latestReleases/latest_release_1772189865181_f040336d-bc57-4aed-b80f-586d9ccb279e_Press_Note_on_New_Series_of_GDP_Estimates_with_Base_Year_2022-23_27022026.pdf

⁴<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2251519&reg=3&lang=2>

⁵<https://www.pib.gov.in/PressNoteDetails.aspx?ModuleId=3&NotelId=157124&reg=3&lang=2>

Indian GDP Growth Trend



P – Projected

Source: MOSPI

Industry Overview

Agriculture and Crop Production Industry

Global

The global agriculture and crop production industry in CY 2026 is entering a phase of relative stability following the sharp volatility observed in previous years. According to the World Bank, agricultural commodity prices are expected to moderate, with the global agricultural price index projected to decline by around 2% in CY 2026. This trend reflects improved supply conditions, as production growth across key crops such as grains and oilseeds remains broadly aligned with global demand.

Prices of food and agricultural raw material are expected to remain largely stable, while beverage crops such as coffee and cocoa are likely to witness a sharper correction of approximately 7%, primarily due to higher supply. Overall, the sector is currently characterised by balanced supply-demand dynamics, supported by better harvests and easing commodity pressures compared to earlier years.

Despite near-term price stability, the medium-term outlook remains uncertain, with multiple risks influencing future production and pricing trends. Extreme weather conditions, including potential La Niña events, may adversely impact yields for major crops including wheat, maize and soybeans.

Concurrently, volatility in input costs, particularly fertilisers and energy continue to pose challenges, although fertiliser prices are expected to decline by around 5% in CY 2026 following a sharp increase in 2025.

Additionally, slower global economic growth may moderate demand for certain agricultural commodities, especially higher-value products. Trade policies, currency fluctuations and biofuel demand are also expected to play a critical role in shaping

agricultural market dynamics. As a result, while the industry is entering a phase of stabilisation, it remains highly sensitive to climatic, geopolitical and policy-driven disruptions.

Indian

India's agriculture sector continues to play a pivotal role in the economy, contributing nearly one-fifth of Gross Value Added (GVA), employing about 46.1% of the workforce, while supporting around 55% of the population. The sector has demonstrated consistent performance, recording an average annual growth rate of approximately 4.4% over the past five years, supported by improved farm practices, increased technological adoption and sustained policy support.

India Foodgrain Production Trend

Foodgrain Production (MMT)



Source: PIB

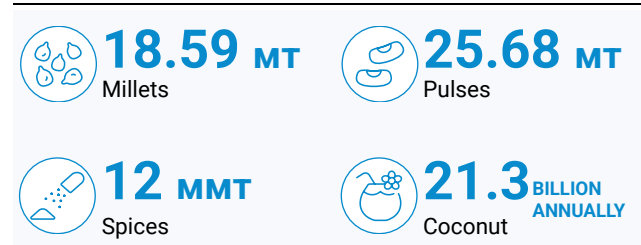
In FY 2025, India achieved a record foodgrain production of 357.73 million metric tonnes (MMT), driven by higher output of rice, wheat and coarse cereals. Horticulture production also reached 362.08 million tonnes, reflecting a structural shift towards high-value crops.

India maintains a strong global position as one of the leading producers of key crops including 150.18 MMT of rice, 117.94 MMT of wheat, 25.68 MMT of pulses and 18.59 MMT of millets. This diversified production base coupled with an increasing focus on value-added agriculture is strengthening India's role in global food security and agricultural markets.

Agricultural Footprint

Global Leadership in Production

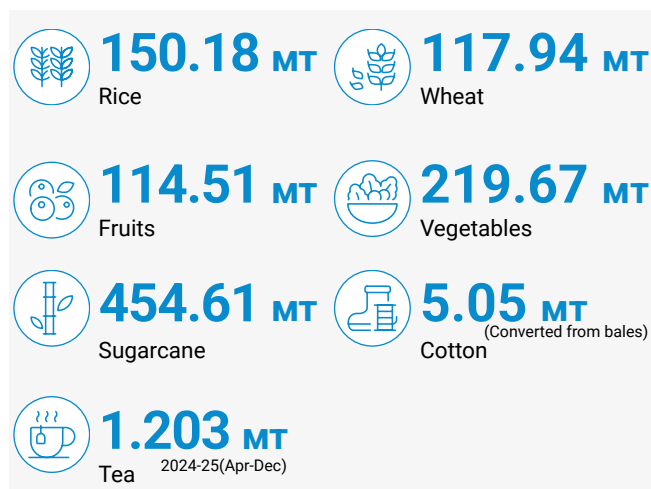
Global Rank #1 (2024-25)



⁶<https://blogs.worldbank.org/en/developmenttalk/global-agricultural-markets-in-2026--stabilizing-prices--persist>

⁷<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2248987&reg=3&lang=1>

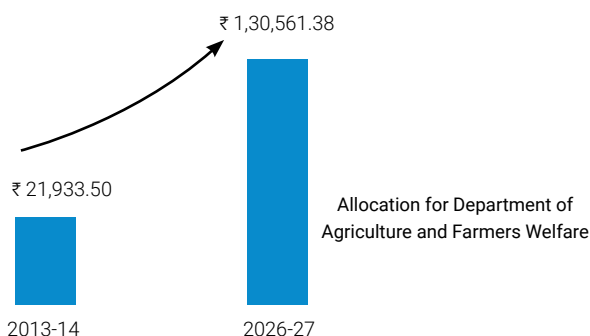
Global Rank #2 (2024-25)



Source: Ministry of Agriculture and Farmers Welfare

Union Budget 2026-27: Strengthening Agricultural Resilience

(In Crore)



Source: Union Budget 2026-27

The Government of India has significantly strengthened its focus on agriculture through sustained budgetary support. Allocation to the Department of Agriculture and Farmers Welfare has increased from ₹21,933 crore in 2013-14 to ₹1,30,561 crore in 2026-27, reflecting a strong policy commitment to improving farmer income, productivity and rural livelihoods.

The union budget 2026-2027 emphasises the promotion of high-value crops, with targeted support for coconut, cocoa, cashew,

almonds and walnuts across region-specific agro-climatic zones. This strategy aims to encourage crop diversification, improve farm incomes and strengthen value-added agricultural output.

Agricultural Export Market

India's agricultural exports have demonstrated steady growth, driven by diversification and increasing value addition across the agri-value chain. Export earnings rose from USD 34.5 billion in FY 2020 to USD 51.1 billion in FY 2025, reflecting a CAGR of around 8.2%.

The share of processed food exports has increased to 20.4%, indicating a gradual shift towards higher-value products and enhanced global competitiveness. Strong demand for key commodities such as rice, spices and horticulture products continues to support export growth, reinforcing India's position as a major global supplier of agricultural produce.

Agricultural Export Growth Trend

(USD Billion)



Source: PIB

Outlook

The outlook for India's agriculture sector remains positive, backed by continued policy support, increasing adoption of technology adoption and a gradual shift towards high-value and sustainable farming practices. Government initiatives focused on productivity enhancement, irrigation expansion and improved seed quality are expected to further strengthen crop output and operational efficiency.

Additionally, rising investments in market infrastructure, digital platforms such as e-NAM and food processing are expected to improve value realisation for farmers and improve supply chain integration. The increasing share of processed food exports, along with diversification in cropping patterns, reflect a transition towards a more resilient and market-oriented agricultural ecosystem. However, the sector remains sensitive to climatic variability and input cost fluctuations, which may influence production stability in the near term.

Growth Drivers of Indian Agriculture and Crop Production Industry

Growth Driver	Description
 Strong Production Growth	India recorded foodgrain production of 357.73 MMT and horticulture output of 362.08 MT in FY 2025, reflecting sustained improvements in productivity and input management.
 Rising Agricultural Exports	Agricultural exports reached USD 51.1 billion in FY 2025, with increasing contribution from processed and value-added products, enhancing global competitiveness.
 Increased Government Support	Budget allocation for agriculture rose to ₹1.30 lakh crore in FY 2027, highlighting strong policy emphasis on farmer welfare, productivity enhancement and rural development.
 Expansion of Institutional Credit	Agricultural credit disbursement reached ₹28.67 lakh crore, supported by 7.72 crore Kisan Credit Card accounts, improving farmers' access to timely financing.
 Irrigation and Soil Health Initiatives	Expansion of irrigation coverage to 55.8% and issuance of 25.55 crore Soil Health Cards are improving water-use efficiency and nutrient management.
 Technology Adoption and Mechanisation	Establishment of 27,554 Custom Hiring Centres is enhancing farm mechanisation and productivity, particularly among small and marginal farmers.
 Shift Towards Sustainable Agriculture	Natural farming has expanded to 17,632 clusters covering 6.39 lakh hectares, supporting resource-efficient and climate-resilient farming practices.
 Strengthening Market Infrastructure	Integration of 1.8 crore farmers and 1,656 mandis with the e-NAM platform is enhancing price discovery, transparency and market access.
 Growth in Food Processing and Value Addition	The food processing sector contributes 12.91% of organised manufacturing employment, supported by increased investment through government schemes in processing and cold-chain infrastructure.
 Policy Push for Crop Diversification	Focus on high-value crops, including horticulture, oilseeds and plantation crops is encouraging diversification and improving farmer income potential.

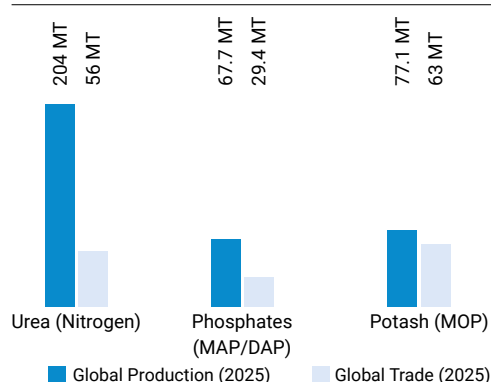
Fertiliser Industry

Global

The global fertiliser industry in 2025–26 is characterised by stable demand fundamentals but heightened supply-side uncertainties, primarily driven by geopolitical disruptions, energy price volatility and evolving trade policies. Fertilisers remain globally traded commodities, with supply chains highly concentrated in key regions such as the Middle East, China and Eastern Europe. Recent disruptions in critical trade routes, particularly the Strait of Hormuz and the Red Sea, have introduced significant risks to global supply chains, affecting both finished fertilisers and key raw materials such as ammonia and sulphur.

Despite these challenges, underlying demand remains supported by stable global crop production and a growing population. However, fertiliser affordability has become a concern in the short term, particularly for nitrogen-based fertilisers, where price increases have outpaced crop price movements, creating pressure on farmer margins and application rates.

Global Fertiliser Market Size & Trade Dynamics



Insight:

- Nitrogen remains the largest and most traded segment
- Potash trade growth is relatively stronger due to supply realignment
- Overall market reflects moderate growth with stable fundamentals

Supply Concentration & Trade Exposure

Global fertiliser trade is highly dependent on a few key regions, particularly the Middle East, which plays a central role in nitrogen and phosphate exports.

34%

Urea trade via Middle East

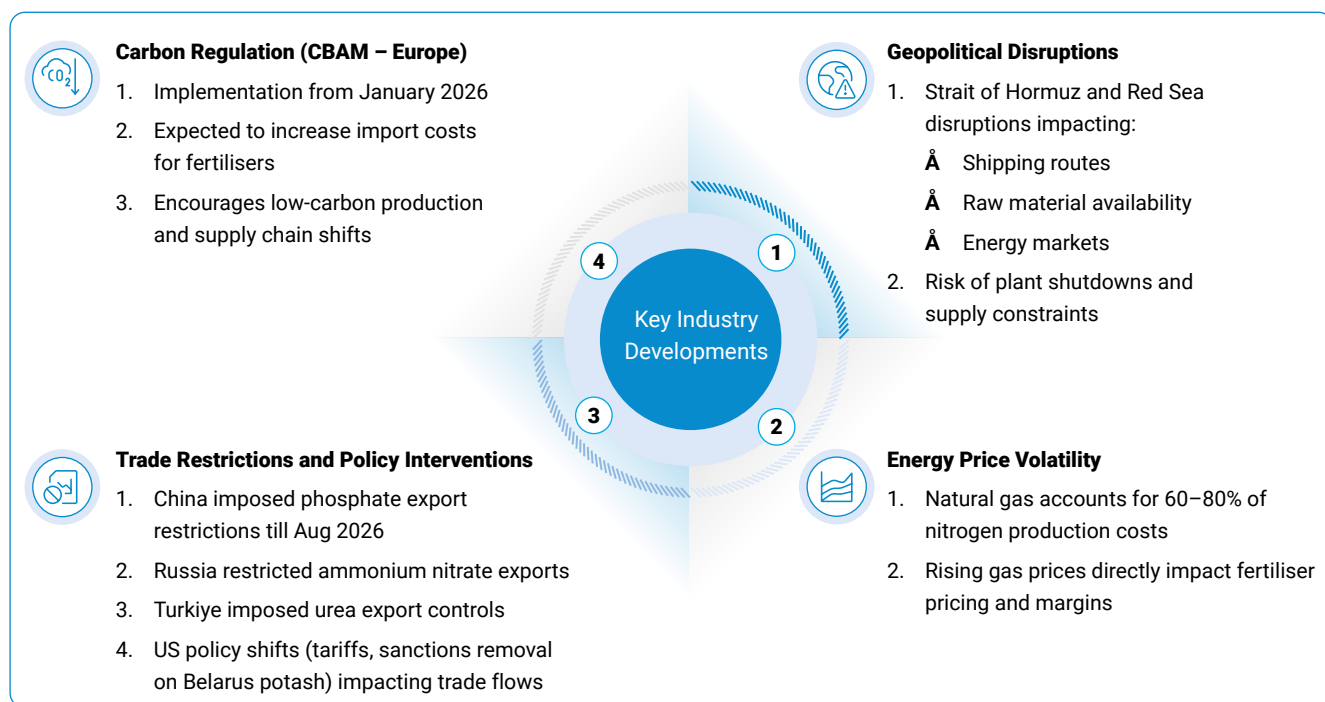
18%

MAP/DAP trade via Middle East

23%

Ammonia trade via Middle East

Fertiliser markets are highly exposed to geopolitical chokepoints, so any disruption in Middle East trade routes has disproportionate global impact.



Outlook

The global fertiliser industry is expected to witness moderate growth with elevated volatility in the near term. While demand fundamentals remain intact, supply-side risks driven by geopolitics, energy markets and trade policies will continue to influence pricing and availability. Nitrogen markets are likely to remain tight due to energy dependency, while phosphates and potash are expected to stabilise with improving supply conditions.

Over the medium term, structural drivers such as population growth, food security concerns and increasing focus on nutrient efficiency are expected to support steady demand. However, the industry will increasingly need to adapt to sustainability regulations, carbon pricing mechanisms and supply chain diversification, which are expected to reshape global trade flows and production economics.

Regional Overview

				
Asia	Eastern Europe and Central Asia (EECA)	Africa	Latin America	North America and Western Europe
Asia continues to dominate global fertiliser consumption, driven by strong agricultural demand and population growth. India and Southeast Asia are witnessing increased use of nitrogen and phosphate fertilisers, supported by government policies and crop demand. However, China's export restrictions on phosphates until 2026 and controlled urea exports have tightened global supply dynamics, while demand for potash remains strong across the region.	The region is stabilising following earlier geopolitical disruptions, with Russia continuing to play a key role in global fertiliser supply, particularly in nitrogen and potash. Trade flows have gradually normalised, although ongoing geopolitical tensions and trade restrictions continue to influence export patterns and pricing dynamics.	Fertiliser demand in Sub-Saharan Africa is gradually increasing, supported by policy initiatives, international funding and adoption of balanced fertilisation practices. Countries such as Ethiopia are promoting efficient fertiliser use, although affordability constraints and infrastructure limitations remain key challenges for wider adoption.	Fertiliser demand trends remain mixed across the region. In major markets such as Brazil and Argentina, high phosphate prices have impacted consumption of MAP and DAP, while potash demand has remained relatively stable due to improved availability and pricing. The region continues to be a key growth driver for global fertiliser demand.	Mature markets such as North America and Western Europe continue to exhibit stable demand with limited volume growth. However, there is a clear shift towards sustainable and efficiency-enhancing fertilisers, driven by regulatory pressures such as carbon policies (including CBAM in Europe) and increasing focus on environmental compliance.

Indian

India remains one of the largest fertiliser consumers globally, with demand driven by strong agricultural output, government support and seasonal cropping patterns. The industry continues to operate under a regulated framework, with urea under price control and phosphatic and potassic fertilisers governed by the Nutrient-Based Subsidy (NBS) regime.

During April–December 2025, the industry witnessed a divergence in production trends, with urea and DAP production declining by 3.2% and 3.9%, respectively, while production of NP/NPK fertilisers and SSP increased by 13.1% and 10.3%, indicating a structural shift towards balanced fertilisation.

At the same time, import dependence increased significantly, with imports of urea, DAP and NP/NPK fertilisers rising by 85.3%, 45.7% and 121.8%, respectively, reflecting supply gaps and strong domestic demand.

Industry Demand and Consumption Trends

Fertiliser Type	DBT Sales (Apr–Dec 2025)	YoY Growth (%)
Urea	31.16 million MT	3.8%
DAP	7.99 million MT	(4.1%)
NP/NPK	11.74 million MT	0.2%
SSP	4.71 million MT	13.1%
MOP	1.77 million MT	5.3%

Insight:

- ▲ Strong growth in urea and SSP demand
- ▲ Decline in DAP usage indicates substitution towards alternatives
- ▲ Stable NP/NPK demand reinforces gradual shift to balanced fertilisation

Policy and Subsidy

The fertiliser industry remains highly dependent on government subsidies to ensure affordability and demand stability. The fertiliser subsidy for FY 2026–27 is budgeted at ₹1.71 lakh crore, including:

₹1.17 lakh crore

for urea subsidy

₹54,000 crore

for P&K fertilisers

The marginal reduction in subsidy allocation compared to revised estimates reflects expectations of moderating global fertiliser and energy prices, although actual requirements remain sensitive to international price movements.

Key Industry Trends

Shift Towards Balanced Nutrient Usage:

Increasing awareness and policy push are driving demand for NPK fertilisers over traditional urea-heavy usage.

Rising Import Dependency:

India remains dependent on imports for key raw materials such as rock phosphate, phosphoric acid, ammonia and potash, exposing the industry to global price volatility.

Subsidy-Driven Demand Stability:

Government subsidies continue to play a crucial role in ensuring affordability and maintaining steady demand across fertiliser categories.

Growth in Specialty and Nano Fertilisers:

Adoption of products such as Nano Urea and specialty fertilisers is gradually increasing, supported by efficiency benefits and government initiatives.

Digitalisation and Direct Benefit Transfer (DBT):

DBT implementation has improved subsidy targeting, reduced leakages and enhanced transparency in fertiliser distribution.

Key Challenges

Challenge	Impact
Global Price Volatility	Fluctuations in raw material and energy prices impact cost structures and margins
High Subsidy Burden	Delays in subsidy disbursement affect working capital cycles
Import Dependence	Exposure to global supply disruptions and currency fluctuations
Imbalanced Nutrient Usage	Over-reliance on urea impacts soil health and long-term productivity
Logistics and Distribution Complexity	Seasonal demand and wide geographic spread increase operational challenges

Outlook

The outlook for the Indian fertiliser industry remains positive, supported by strong agricultural demand, favourable government policies and increasing focus on balanced fertilisation. The shift

towards NPK and value-added fertilisers is expected to continue, driven by agronomic benefits and policy incentives.

However, the industry will continue to navigate challenges related to global supply chain disruptions, input cost volatility and subsidy dependence. Increased focus on backward integration, efficiency improvements and product innovation is expected to play a key role in enhancing long-term sustainability and competitiveness.

Company Overview

Paradeep Phosphates Limited (PPL) is among India's leading private sector manufacturers of phosphatic fertiliser, with an expanded manufacturing footprint following the integration of Mangalore Chemicals & Fertilizers Limited (MCFL). The Company operates four strategically located manufacturing facilities at Paradeep (Odisha), Zuarinagar (Goa), Mangalore (Karnataka) and Mahad (Maharashtra) with a total installed capacity of approximately 3.9 MMTPA.

The Company benefits from strong backward integration, with in-house capabilities in phosphoric acid, sulphuric acid and ammonia, complemented by proximity to ports that enables efficient raw material sourcing. The Company's diversified product portfolio includes DAP, a broad range of NPK fertilisers, urea and emerging products such as Nano Urea and Nano DAP, catering to evolving agricultural requirements.

PPL has established a strong market presence through its flagship brands, Jai Kisaan Navratna and Mangala, supported by an extensive pan-India distribution network. The integration of MCFL has further strengthened its presence in southern markets, enhanced product portfolio diversification and enabled operational synergies across sourcing, manufacturing and distribution.

4

Manufacturing Locations

(Paradeep, Goa, Mangalore and Mahad)

3.9 MMTPA

Installed Capacity

1,00,000+

Retailers

6,800+

Channel Partners

18

States Covered

12+ million

Farmers Served

Opportunities and Challenges



Opportunities

Favourable Policy Support for Balanced Fertilisation

The continued emphasis on nutrient balance, soil health and efficiency-driven fertiliser usage under the Nutrient-Based Subsidy (NBS) regime is expected to support sustained demand for phosphatic and complex fertilisers. Increased subsidy allocation for non-urea fertilisers provides a stable demand environment for value-added products.

Shift Towards NPK and Specialty Fertilisers

Growing adoption of balanced nutrient practices is driving a structural shift from urea and DAP towards NPK and specialty fertilisers. The Company's diversified portfolio and focus on higher-margin NPK products position it well to capitalise on this transition.

Expansion of Nano and Sustainable Product Portfolio

Increasing government and industry emphasis on nutrient-use efficiency and sustainable agriculture is creating opportunities for advanced products such as Nano Urea and Nano DAP. These offerings present long-term growth potential while supporting improved agronomic outcomes.

Merger Synergies and Expanded Market Reach

The integration of MCFL has strengthened the Company's presence in southern India, expanded its product portfolio and improved access to key agricultural markets. Synergies across procurement, manufacturing and distribution are expected to enhance operational efficiencies.

Strengthening Backward Integration

Ongoing investments in phosphoric acid and sulphuric acid capacities are expected to enhance self-sufficiency in key raw materials, reduce import dependency and improve cost competitiveness over the medium term.

Capacity Expansion and Operating Leverage

Planned capacity expansion and debottlenecking initiatives are expected to support volume growth, improve capacity utilisation and drive operating leverage, enabling the Company to capitalise on rising fertiliser demand.



Challenges

Volatility in Raw Material and Energy Prices

The Company remains exposed to fluctuations in global prices of key inputs, including rock phosphate, phosphoric acid, ammonia and sulphur. Ongoing geopolitical tensions, particularly in energy-producing regions, have heightened input costs volatility, impacting margins and working capital.

Geopolitical and Supply Chain Disruptions

Global conflicts and trade disruptions continue to affect shipping routes, freight costs and raw material availability. Dependence on imports exposes the Company to supply chain uncertainties and logistical constraints.

Regulatory and Subsidy Dependence

The fertiliser industry remains highly regulated, with profitability influenced by subsidy policies, pricing controls and disbursement timelines. Any delays or changes in subsidy structure may impact liquidity and earnings visibility.

Climatic Variability and Demand Uncertainty

Fertiliser demand is closely linked to monsoon patterns and cropping cycles. Erratic rainfall, extreme weather conditions or shifts in sowing patterns may affect product off-take and inventory levels.

Foreign Exchange Exposure

A significant portion of raw material sourcing is import-dependent, exposing the Company to currency fluctuations. Depreciation of the Indian Rupee may result in higher input costs and margin pressures.

Operational Highlights

Operational Efficiency

The Company maintained strong operational momentum during the year, with production reaching approximately 3.36 million tonnes in FY26, representing a growth of around 8% year-on-year. The Company achieved turnover of ₹ 21,826 Cr higher by 29%, EBITDA of ₹ 2259 Cr (₹ 5,364/MT Vs ₹ 4,449/MT) higher by 33% and PBT of ₹1,328 Cr (after exceptional item ₹ 39 Cr) higher by 45% compared to corresponding period of the previous year.

Operational performance was further supported by the stabilisation of the newly commissioned sulphuric acid capacity at Paradeep, along with ongoing process optimisation initiatives across Goa and Mangalore, resulting in improved plant reliability and throughput.

Integration and Capacity Expansion

The successful integration of MCFL marked a significant milestone, increasing total installed capacity to approximately 3.9 MMTPA and strengthening its presence in southern India. The Company continued to advance its expansion initiatives, including the increase in phosphoric acid capacity from 0.5 MMTPA to 0.7 MMTPA. These initiatives are expected to enhance backward integration, reducing dependence on external sourcing and improve operational efficiencies while supporting future growth.

Product Mix Optimisation

The Company continued to optimise its product mix towards higher-margin and value-added products, with NPK fertilisers contributing a significant share of overall volumes. Growth in NPK categories remained strong, with select segments recording growth exceeding 30% during the year, supported by increasing adoption of balanced fertilisation practices. This strategic shift has partially mitigated pressure in traditional segments such as DAP and improve overall product realisations.

Product Innovation

The Company continued to expand its portfolio of nutrient-efficient and sustainable fertilisers, including Nano Urea, Nano DAP and other advanced formulations. Adoption levels are gradually increasing, supported by field-level engagement and rising awareness among farmers. In addition, the Company has strengthened its presence in alternative phosphatic products such as TSP, registering strong growth, reflecting an industry-wide shift towards balanced fertilisation practices.

Performance Highlights

Overall Performance

Particulars	FY 2025-26	FY 2024-25
Production (MT)	36,66,516	34,03,866
Sales Volume (MT)	42,09,890	38,19,246

Particulars	FY 2025-26	FY 2024-25
Revenue from Operations (₹ Crores)	21,826.34	16,958.65
PBT (₹ Crores)	1,328.45	911.59
PAT (₹ Crores)	996.84	662.85

Production

Production in '000 MT	FY 2025-26	FY 2024-25
DAP	561	670
N-20	1,508	1,346
Other fertilizers	1,597	1,388
Total Fertilizers	3,666	3,404

Consolidated Financial Performance

This section presents an overview of the consolidated financial performance for the fiscal year ending 31st March, 2026. The financial statements of PPL and its joint ventures have been prepared in accordance with Indian Accounting Standards (Ind AS), as mandated by Section 133 of the Companies Act, 2013.

The accompanying notes to the consolidated financial statements outline the significant accounting policies adopted in the preparation of these results.

Revenue

₹ in Crore			
Particulars	FY 2025-26	FY 2024-25	% Change
Operating Revenue	21,826.34	16,958.65	28.70%
Other Income	146.58	148.04	-0.99%
Total Revenue	21,972.92	17,106.69	28.45%

Revenue from Manufactured Products and Trade Products

₹ in Crore			
	FY 2025-26	FY 2024-25	% Change
Manufactured Products	17,912.00	15,122.00	18.45%
Traded Products	3,914.34	1,836.65	113.12%
Operating Revenue	21,826.34	16,958.65	28.70%

Cost of Materials

₹ in Crore			
	FY 2025-26	FY 2024-25	% Change
Cost of Material Consumed	13,247.47	10,303.90	28.57%
Purchase of Stock in Trade	3,956.96	1,770.01	123.56%
Changes in Inventories	(1,071.85)	(160.11)	569.45%
Total Materials	16,132.58	11,913.80	35.41%
Operating Revenue	21,826.34	16,958.65	28.70%
Cost of Materials / Operating Revenue	73.91%	70.25%	5.21%

Employee Benefits

₹ in Crore

	FY 2025-26	FY 2024-25	% Change
Employee Benefits	336.68	320.58	5.02%
% of Total Revenue	1.54%	1.89%	-18.40%

Finance Costs

₹ in Crore

	FY 2025-26	FY 2024-25	% Change
Finance Costs	527.78	443.18	19.09%
% of Revenue	2.42%	2.61%	-7.47%

Depreciation and Amortisation

₹ in Crore

	FY 2025-26	FY 2024-25	% Change
Depreciation and Amortisation	403.20	344.29	17.11%
% of Revenue	1.85%	2.03%	-9.01%

Other Expenses

₹ in Crore

	FY 2025-26	FY 2024-25	% Change
Other Expenses	3,204.81	3,173.25	0.99%
% of Revenue	14.68%	18.71%	-21.53%

Income Tax

₹ in Crore

	FY 2025-26	FY 2024-25	% Change
Income Tax	331.61	248.74	33.31%
Profit Before Tax	1,328.45	911.59	45.73%
Tax as % of Profit Before Tax	24.96%	27.29%	-8.52%

Key Financial Ratios

Ratio	Numerator	Denominator	FY 2025-26	FY 2024-25	% Change
Current Ratio (In Times)	Total Current Assets	Total Current Liabilities	1.15	1.16	-0.86%
Debt-Equity Ratio (In Times)	Total Borrowings	Total Equity	1.01	0.86	17.44%
Debt Service Coverage Ratio (In Times)	Earning for Debt Service = Interest + Profit for the Year + Interest Expenses + Depreciation and Amortisation Expenses + Other Non-Cash Adjustments	Debt Service = Interest + Principal Repayments	2.34	1.84	27.17%
Return on Equity Ratio (In %)	Profit for the Year	Average Total Equity	15.75%	11.89%	32.46%
Inventory Turnover Ratio (In Times)	Revenue from Operations	Average Inventory	6.05	7.72	-21.63%
Trade Receivables Turnover Ratio (In Times)	Revenue from Operations	Average Trade Receivables	5.42	5.71	-5.08%
Trade Payables Turnover Ratio (In Times)	Purchase of Raw Materials and Traded Goods	Average Trade Payables	6.75	6.55	3.05%
Net Capital Turnover Ratio (In Times)	Revenue from Operations	Average Working Capital (i.e. Total Current Assets Less Total Current Liabilities)	16.67	20.17	-17.35%
Net Profit Ratio (In %)	Profit for the Year	Revenue from Operations	4.59%	3.91%	17.39%
Return on Capital Employed (In %)	Profit Before Tax and Finance Costs	Capital Employed = Tangible Net Worth + Total Debt	13.6	12.1	12.40

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous Financial Year) in key financial ratios:

Debt Service Coverage Ratio

The percentage increase in the Debt Service Coverage Ratio was primarily on account of higher profitability during the year, supported by improved operational performance, better product mix and higher EBITDA generation.

Risk Management

The Company operates in a dynamic global and domestic environment characterised by geopolitical uncertainties, commodity price volatility and evolving regulatory frameworks. To address these challenges, it has implemented a structured risk management framework to identify, assess and mitigate key business risks, thereby ensuring operational resilience and sustainable performance.

Risk Matrix

Risk	Risk Description	Risk Drivers	Risk Mitigation
 Raw Material Price Volatility	The Company remains exposed to fluctuations in the prices of key imported inputs including rock phosphate, phosphoric acid, ammonia and sulphur, which may adversely impact cost structures and margins.	- Ongoing geopolitical tensions affecting supply markets - Volatility in energy prices influencing input costs - Currency fluctuations impacting landed cost of imports	- Long-term sourcing arrangements with strategic partners - Strengthening backward integration through expansion of phosphoric and sulphuric acid capacities - Active product mix optimisation towards higher-margin offerings
 Geopolitical and Supply Chain Disruptions	Disruptions in global trade routes and logistics networks may affect the timely availability of raw materials and increase freight costs.	- Conflicts in key regions affecting shipping routes (Red Sea, West Asia) - Port congestion and rerouting of vessels - Rising insurance and freight costs	- Diversified sourcing strategy across geographies - Optimised logistics planning and route flexibility - Maintenance of strategic inventory levels to mitigate disruptions
 Regulatory and Subsidy Dependence	A significant portion of the Company's business is linked to government subsidy regimes, affecting pricing, demand and cash flows.	- Changes in Nutrient-Based Subsidy (NBS) rates - Delays in subsidy disbursement - Policy changes in fertiliser pricing and nutrient norms	- Continuous engagement with policymakers and industry bodies - Diversification towards non-subsidised and specialty products - Strengthening working capital management to absorb delays
 Integration and Execution Risk (MCFL)	Integration of acquired operations may pose challenges in aligning processes, systems and efficiencies.	- Operational alignment across multiple manufacturing locations - Variations in product mix and regional demand - Execution risks in achieving synergy targets	- Phased integration strategy focus on operational harmonisation - Leveraging combined distribution and procurement strengths - Continuous monitoring of synergy realisation and cost optimisation
 Climate and Demand Variability	Fertiliser demand is dependent on monsoon patterns and cropping cycles, leading to variability in sales volumes.	- Erratic rainfall and extreme weather conditions - Shifts in cropping patterns and farmer behaviour - Regional demand fluctuations	- Diversified geographic presence across multiple states - Broad product portfolio catering to diverse crops and regions - Strengthened market intelligence and demand forecasting capabilities

Risk	Risk Description	Risk Drivers	Risk Mitigation
 Foreign Exchange Risk	Dependence on imported raw materials exposes the Company to currency fluctuations, affecting procurement costs and profitability.	- Volatility in INR against major currencies - Global macroeconomic uncertainty	- Use of hedging instruments and forward contracts - Natural hedging through pricing strategies - Increased backward integration to reduce import dependence
 Working Capital and Liquidity Risk	The business is working capital intensive, with exposure to inventory build-up and receivables linked to subsidy cycles.	- High inventory requirements due to supply uncertainty - Timing mismatch in subsidy receipts - Commodity price cycles	- Tight control on inventory and receivables - Strong banking relationships and access to credit lines - Improved cash flow management systems
 Market Competition	Increasing competition from domestic and global players may impact market share and pricing power.	- Capacity expansion by competitors - Increased focus on specialty and differentiated products - Pricing pressures in commoditised segments	- Strong brand equity and farmer engagement - Focus on value-added and differentiated fertilisers - Expanded distribution network post-merger

Outlook

The Company is focused on strengthening its integrated operating model through continued investments in backward integration and capacity expansion. The planned increase in phosphoric acid capacity, along with the expansion of granulation facilities is expected to enhance self-sufficiency, improve cost efficiencies and support higher production volumes.

PPL continues to prioritise a calibrated shift in its product mix towards value-added and balanced nutrition fertilisers, particularly NPK variants and specialty products, in alignment with evolving agronomic practices and the government's focus on nutrient efficiency. The integration of MCFL is expected to yield synergies through improved capacity utilisation, expanded geographic reach and optimisation of procurement and distribution networks.

Supported by a strong sourcing strategy, diversified product portfolio and an expanding distribution footprint, the Company remains well positioned to strengthen its presence in the non-urea fertiliser segment while maintaining operational resilience amid global commodity and input cost volatility.

Human Resource

The Company continues to strengthen its position as a people-centric organisation, guided by the core values of sustainability, customer focus, integrity and collaboration. It remains committed to building a high-performance culture through strong employee engagement, continuous capability development and an inclusive work environment.

Talent Management and Leadership Development

The Company has instituted a structured talent management framework aimed at identifying, developing and retaining talent across all levels. Through competency mapping, leadership development initiatives and robust succession planning, it seeks to build a future-ready workforce aligned with evolving business requirements.

Leadership pipelines are further strengthened through targeted development programmes, mentoring initiatives and performance management systems, ensuring continuity in leadership and organisational resilience.

Learning and Capability Building

Learning and development remain integral to the Company's growth strategy. Structured training programmes are conducted to enhance technical, behavioural and digital capabilities, enabling employees to contribute effectively in a dynamic business environment.

The Company continues to strengthen domain expertise, digital awareness and cross-functional capabilities through curated learning interventions and partnerships with reputed institutions and platforms.

Employee Engagement and Culture

The Company promotes a culture of engagement and empowerment through structured initiatives that promote collaboration, recognition and continuous feedback. These initiatives are designed to enhance employee motivation, strengthen organisational alignment and drive a sense of ownership across teams.

Focused initiatives also encourage cross-functional collaboration and support a cohesive work environment that drives innovation and operational excellence.

Diversity and Inclusion

The Company is committed to support an inclusive and equitable workplace where employees from diverse backgrounds are empowered to contribute and grow. Its diversity initiatives emphasise equal opportunity, skill development and creating a culture rooted in respect, collaboration and belonging.

Digital HR Transformation

The Company continues to leverage digital technologies to enhance HR efficiency and employee experience. The adoption of integrated digital platforms across HR processes, including employee services, learning and performance management, has enabled streamlined operations and improved accessibility.

2,163

Total employees as of March 31, 2026

Internal Control

The Company maintains a robust internal control framework designed to ensure operational efficiency, safeguard assets and ensure compliance with applicable regulations. The internal audit function periodically reviews key business processes and findings are reviewed by the Audit Committee and the Board to strengthen governance practices and internal controls.

Cautionary Statement

Certain statements in the MDA section regarding future prospects may be forward-looking and involve risks and uncertainties that could lead to actual results differing materially. These statements are based on current assumptions and available information, which may change over time. As such, they reflect only the Company's intentions, beliefs, or expectations as of their date and are subject to change. The Company assumes no obligation to update these forward-looking statements in light of new information or future events.

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I Details of the listed entity

1.	Corporate Identity Number (CIN) of Listed Entity	L20122OR1981PLC001020
2.	Name of the Listed Entity	PARADEEP PHOSPHATES LIMITED
3.	Year of Incorporation	1981
4.	Registered office address	5 th Floor, Orissa State Handloom Weavers' Co-Operative Building, Pandit J.N Marg, Bhubaneswar – 751001
5.	Corporate Address	3 rd Floor, No. 28, Union Street, Off-Cubbon Road, Bangalore – 560001
6.	E-mail	cs.ppl@adventz.com
7.	Telephone	080-46812536
8.	Website	www.paradeepphosphates.com
9.	Financial year for which reporting is being done	April 01, 2025 to March 31, 2026
10.	Name of the Stock Exchange(s) where shares are listed	(i) BSE Limited (ii) National Stock Exchange of India Limited
11.	Paid-up Share Capital	₹1038,17,05,940
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR	Mr. V. Vinay Telephone: +91-9552037300 Email: v.vinay@adventz.com
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)	On standalone basis
14.	Name of Assurance Provider	TUV India Private Limited
15.	Type of Assurance obtained	Reasonable

II. Products/services

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

S. N.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing & Trading of fertilisers	Chemical and chemical products, pharmaceuticals, medicinal chemical and botanical products	100%

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

S. N.	Product/Service	NIC Code	% of total Turnover contributed
1.	Manufacture of urea and other organic fertilizers	2012	15.00%
2.	Manufacture of straight mixed, compound or complex inorganic fertilizers	201203	64.00%
3.	Wholesale of fertilizers and agrochemical products	467902	17.00%

Business Responsibility & Sustainability Report (Contd.)

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	4	31	35
International	NA	NA	NA

* Mangalore Chemicals and Fertilizers Limited (MCFL) merged with Paradeep Phosphates Limited (PPL) in FY 2025-26. 04 plants represent facilities in Goa, Mahad, Mangalore, Paradeep.

19. Market served by the entity:

a. Number of locations

Location	Number
National (No. of States)	18
International (No. of Countries)	0

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 Company serves a broad spectrum of customers, including agricultural retailers, distributors, farmers, cooperatives, government agencies, and research institutions. With farmers as our core customers, we are dedicated to aligning our products with their specific needs and addressing the unique challenges they face. This commitment has helped us develop products that have positively impacted over 12+ million farmers' livelihoods.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. N.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
		EMPLOYEES				
1.	Permanent (D)	2,163	2,060	95.2%	103	4.8%
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total Employees (D+E)	2,163	2,060	95.2%	103	4.8%
		WORKERS				
1.	Permanent (F)	-	-	-	-	-
2.	Other than Permanent (G)*	4,945	4,715	95.3%	230	4.7%
3.	Total Employees (F+G)	4,945	4,715	95.3%	230	4.7%

*During the current reporting period, the Company undertook a review of its workforce classification and reporting methodology. Based on this review, certain workforce categories previously reported under permanent workers have been reclassified as "Other than Permanent Workers" to accurately reflect the nature of their engagement. Accordingly, workforce-related disclosures for the current year have been presented in line with the revised classification approach.

Business Responsibility & Sustainability Report (Contd.)

b. Differently abled Employees and workers:

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

21. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	11	2	18.2 %
Key Management Personnel (including Directors) *	3	0	0 %

* One Key Managerial Personnel is also part of Board of Directors

22. Turnover rate for permanent employees and workers

	FY 2025-2026			FY 2024-2025			FY 2023-2024		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	7.4%	5.8%	7.40%	6.3%	8.2%	6.3%	10%	9.5%	10.2%
Permanent Workers	0	0	0	8%	0	8%	14.3%	66.7%	40.5%

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

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

S. N.	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
1.	Zuari Marco Phosphates Private Limited	Holding	50.31%	No
2.	Zuari Yoma Agri Solutions Limited	Joint Venture	50%	No

Business Responsibility & Sustainability Report (Contd.)

VI. CSR Details

24. (i) Whether CSR is applicable as per Section 135 of Companies Act, 2013: Yes
(ii) Turnover (in ₹ Million.): 2,18,263.40
(iii) Net worth (in ₹ Million): 67,827

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 2025-2026			FY 2024-2025		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	NA	0	0	NA
Investor (other than shareholders)	Yes	0	0	NA	0	0	NA
Shareholders	Yes	19	0	NA	1	0	NA
Employees and workers	Yes	0	0	NA	0	0	NA
Customers/Consumers	Yes	0	0	NA	0	0	NA
Value Chain Partners	Yes	0	0	NA	0	0	NA
Others (please specify)	Yes	0	0	NA	0	0	NA

Business Responsibility & Sustainability Report (Contd.)

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

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

S. N.	Material issue identified	Indicate whether risk or opportunity	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	Occupational health and safety (OHS)	Risk	Ensuring a safe and healthy workplace is crucial for employee welfare and productivity. Poor OHS measures can lead to accidents, illnesses, and a subsequent increase in labor costs due to lower productivity and higher medical expenses. Additionally, it can result in legal liabilities and regulatory fines.	Proactive measures are in place to implement an effective OHS program at PPL. Four of PPL's manufacturing plants, located in Paradeep, Mangalore, Mahad, and Goa, are certified to the prestigious ISO 45001 standard, underscoring our commitment to the highest international benchmarks for occupational health and safety. We have implemented a comprehensive suite of safety protocols that include well-defined Standard Operating Procedures (SOPs), regular health and safety training for all employees, and ongoing monitoring to ensure a safe working environment. To further bolster our safety culture, we conduct rigorous initiatives such as Hazard Identification and Risk Assessment (HIRA), Hazop studies, and process safety audits. Additionally, our safety framework is reinforced through external safety audits and inspections, including the CIGC inspection by the Government of Odisha, ensuring continuous improvement and regulatory compliance.	Negative: Workplace incidents not only pose risks to employee safety but can also damage the Company's reputation, leading to negative publicity and a decline in public perception. This can erode customer trust, result in missed business opportunities, and create challenges in attracting and retaining top talent. Additionally, regulatory fines and compliance-related penalties can impose significant financial strain, further complicating the organization's operations and long-term growth

Business Responsibility & Sustainability Report (Contd.)

S. N.	Material issue identified	Indicate whether risk or opportunity	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)
2	Chemical Safety	Risk	The production and handling of hazardous chemicals like phosphates and ammonia are integral to the Company's operations but are inherently risky. Improper management of these substances can result in spills, leaks, and other accidents, posing severe risks to employee safety and the environment. Such incidents can attract regulatory scrutiny, environmental penalties, and disrupt our production processes.	Our comprehensive SOPs and safety manuals outline clear, step-by-step guidelines for the safe handling of chemicals. To reinforce these protocols, we conduct regular training sessions, periodic safety audits, and ensure that all employees are equipped with the necessary Personal Protective Equipment (PPE). These proactive measures not only prepare our team to recognize and address potential hazards but also guarantee strict adherence to safety standards, fostering a culture of safety and compliance across the organization.	Negative: Chemical safety incidents can significantly tarnish the Company's reputation with stakeholders. Major accidents or environmental violations may disrupt operations, causing delays or shutdowns that impact financial performance. Additional costs from cleanup efforts and potential legal liabilities further strain resources.
3	Business Ethics	Opportunity	Good governance and ethical conduct are fundamental to building stakeholder trust and sustaining long-term growth. Ethical practices help prevent legal issues, enhance corporate reputation, and ensure sustainable business operations.	The Company's Code of Business Conduct and Ethics underscores its firm stance against unethical practices, including bribery, gifts, insider trading, and harassment. The code also outlines clear escalation mechanisms for individuals to raise concerns or complaints, ensuring accountability and transparency. To further our commitment to sustainability and responsible corporate governance, we have established an ESG Steering Committee. This committee plays a pivotal role in steering initiatives related to environmental stewardship, corporate social responsibility, and governance.	Positive: Good corporate governance systems ensure the Company is managed in the interests of all shareholders. This can lead to increased investor confidence and better access to capital. Ethical conduct enhances customer loyalty and employee morale, contributing to overall business growth and financial stability.

Business Responsibility & Sustainability Report (Contd.)

S. N.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4.	Environmental management	Risk	Our industry is under constant scrutiny for its environmental impact. A strong commitment to environmental protection and resource conservation is crucial for sustainable operations and meeting regulatory requirements. Non-compliance can result in legal penalties, cleanup costs, and significant reputational harm.	Our manufacturing plants are ISO 14001 certified, demonstrating our commitment to international environmental management standards. We also conduct regular third-party energy audits and ongoing monitoring that allow us to pinpoint areas for improvement, while strict adherence to state and central pollution control Board regulations ensures continuous compliance with environmental requirements.	Negative: Non-compliance with environmental norms can result in significant financial repercussions, including fines, legal fees, and disrupt operations, increased operational costs due to mandated corrective actions. Additionally, this may also lead to reputational damage that can cause loss of customer trust and business opportunities, further impacting financial performance.
5.	Inclusion and Diversity	Opportunity	A diverse and inclusive workforce fosters creativity and innovation, essential for solving complex problems and maintaining a competitive edge. In the agricultural sector, where diverse needs and challenges are prevalent, inclusivity can drive better product development and customer satisfaction.	We have a Board diversity policy in place that ensures robust governance. We also focus on inclusive approach to talent attraction to acquire the right talent for the right role during recruitment, irrespective of the candidate's gender, religion, region, caste, sexual orientation, creed, race, etc.	Positive: A positive and inclusive work environment drives productivity and overall better performance, translating to improved financial outcomes. Additionally, a strong reputation for diversity and inclusion can attract top talent and enhance the Company's market position.

Business Responsibility & Sustainability Report (Contd.)

S. N.	Material issue identified	Indicate whether risk or opportunity	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)
6.	Responsible Supply Chain	Risk	An efficient and resilient supply chain is critical for uninterrupted production and meeting customer demands. Disruptions can lead to production delays, increased costs, and potential loss of market share.	An efficient and resilient supply chain is critical for uninterrupted production and meeting customer demands. Disruptions can lead to production delays, increased costs, and potential loss of market share.	Negative: A diversified supply chain builds resilience to disruptions such as natural disasters, geopolitical issues, or supplier problems. Having alternative suppliers or contingency plans ensures operational continuity, mitigating financial risks associated with supply chain disruptions.
7.	Community Relations	Opportunity	Building and maintaining positive relationships with local communities is essential for fostering mutual trust and support. Being a responsible corporate citizen helps ensure that our operations are welcomed and supported, which is crucial for sustainable growth and development.	Our Corporate Social Responsibility (CSR) policy shapes our commitment to fostering positive community relationships and driving sustainable development. With a strong focus on livelihoods, education, health (specifically Water, Sanitation, and Hygiene - WaSH), and environmental sustainability, we strive to make a tangible impact. Through proactive and meaningful community engagement, we aim to build lasting trust and improve the well-being of the communities we serve.	Positive: Building strong community relations not only enhances our reputation and brand image but also strengthens our position with consumers, investors, and other key stakeholders. By fostering trust and demonstrating a commitment to social responsibility, we create deeper customer loyalty and more robust investor relationships, ultimately driving long-term business success.

Business Responsibility & Sustainability Report (Contd.)

SECTIONB: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1 a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y								
b. Has the policy been approved by the Board? (Yes/No)	Y								
c. Web Link of the Policies, if available	Details of the Company's policies can be found on our website: https://www.paradeepphosphates.com/investors/corporategovernance								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Y								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y								
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.	- Environment Management Systems (ISO 14001:2015) - Occupational Health and Safety Management Systems (ISO 45001:2018) - Information Security Management Systems ISO 27001:2013 - Energy Management System (ISO 50001:2018) - Quality Management System (ISO 9001:2015) - Good Manufacturing Practice (GMP) Compliant Facilities - Protect and Sustain Certification (International Fertilizer Association (IFA))								
5. Specific commitments, goals, and targets set by the entity with defined timelines, if any.	Description about targets are given below: Social Dimension: - Increase the share of women in all management cadre to overall 6% by FY 2030 (baseline: 2024) - Growth in the Specially Abled Workforce from 0% to 0.50% by FY 2030 (baseline: 2024) - To implement a minimum of 4 man days for learning hours for every employee by 2026 100% employee coverage for the ESG Governance & Policy Training by the year 2025 (baseline: 2024) - Achieve a growth of 15% in the Life Impacted/ Beneficiaries by the year 2026 (baseline: 2024) Environmental Dimension: - Reduce energy intensity by 5% by 2027 compared to the baseline year FY 2023-24 (baseline: 2024) - Decrease the Scope 1 and 2 emission intensity by 5% (baseline: 2024) - Reduction in PM / NOX / SOX Intensity by 5% by 2027 compared to the baseline year (baseline: 2024) - Fall in specific water consumption by 5% by 2028 compared to the baseline year (baseline: 2023) - Reducing freshwater consumption by 10% by 2028 compared to the baseline year (baseline: 2023) Governance Dimension: - A 100% increase in Suppliers sign off PPL's Supplier Code of Conduct (tier 1) by 2026 (baseline: 2023) - Rise in the ESG Awareness Training of All Employees (100%) - Board of Directors, Senior Management, Employees by 2025 (baseline: 2024) - Surge in IT learning hours that is a 100% coverage in digital and cybersecurity by the year 2025 (baseline: 2024)								

Business Responsibility & Sustainability Report (Contd.)

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	- Implemented a minimum of 4 man days for learning hours for every employee by 2026. - Achieved a growth rate of 55% in life impacted/ beneficiaries by the year 2026 compared to 2024 baseline. - ESG awareness training is provided to 100% of employees and 90% for Board of Directors, Senior Management. - IT trainings were conducted for 20% of employees totaling 510 hours. - The overall energy consumption and scope 1 and 2 emissions intensity per million ₹ has reduced by more than 8.4% and 3.7% respectively. - The water consumption intensity per million ₹ has reduced by 19.3% as well and waste generation intensity has come down by 34.5%. - All tier I suppliers adhere to the PPL's Supplier Code of Conduct.								

Governance, leadership, and oversight

7. Statement by Director responsible for the business responsibility report, highlighting ESG-related challenges, targets and achievements:

At Paradeep Phosphates Limited (PPL), sustainability is integrated into our business strategy, with a clear focus on measurable performance, governance discipline, and long-term value creation. As we present our Business Responsibility and Sustainability Report (BRSR) for FY 2025–26, we reaffirm our commitment to integrating environmental stewardship, social responsibility, and robust governance into every aspect of our operations.

The year under review has been strategically significant, with the integration of Mangalore Chemicals and Fertilizers Limited (MCFL) into PPL's operations. With four (04) manufacturing facilities now under a unified platform with a total production capacity of 3.9 million metric tonnes per year, this scale-up brings both opportunities and challenges, particularly in ensuring consistent ESG governance, data systems, and operational standards across all facilities. During the year, we initiated the alignment of ESG policies, internal control mechanisms, and reporting structures across entities to enable uniform accountability and comparability.

Governance excellence continues to underpin our ESG approach and reflects through our comprehensive portfolio of ISO certifications including ISO 9001, 14001, 50001, 45001, and 27001. This serves as testament to our persistent emphasis on quality assurance, energy optimization, occupational safety, and environmental stewardship. Our sustainability disclosures are aligned with globally accepted frameworks (GRI, SASB, TCFD) and are subject to external assurance, enhancing reliability and stakeholder confidence. In recognition of these efforts, PPL achieved a score of 76/100 in the S&P Global Corporate Sustainability Assessment 2025, securing a place in the CSA Yearbook 2025 and positioning us in the top 2% of companies globally in the chemicals sector.

On the social dimension, our commitment to India's farming community continues to guide our strategic priorities. We are expanding our engagement with farmers through agronomic advisory, soil health awareness, and customized crop nutrition solutions aimed at enhancing productivity and resilience. Within the organization, we have maintained a strong focus on occupational health and safety, with an increased emphasis on preventive risk management, contractor safety, and capability building. The integration of a larger and more diverse workforce post integration has further necessitated focused interventions in employee engagement, training, and cultural alignment, which remain ongoing priorities.

While, from the environmental standpoint, our focus remains on resource optimization and operational efficiency improvement. All operating facilities are connected to continuous emission monitoring systems, improving transparency and real-time environmental performance tracking. While progress has been made, we acknowledge that reducing carbon intensity and transitioning toward more sustainable inputs remain ongoing priorities.

Innovation, strategic foresight, and continuous enhancement constitute the guiding principles of our organizational trajectory. We remain focused on stakeholder transparency and the creation of sustained value across our stakeholder ecosystem through our annual sustainability and BRSR disclosures. I take this opportunity to acknowledge the continued support of our Board, the commitment of our employees and the trust placed in us by our stakeholders. We remain focused on strengthening our ESG performance and contributing meaningfully to India's agricultural sustainability and broader development goals.

Mr. N Suresh Krishnan
Managing Director & CEO

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility Policy (ies).

Mr. N Suresh Krishnan
Managing Director & CEO

Business Responsibility & Sustainability Report (Contd.)

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
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 Company has constituted a Corporate Social Responsibility (CSR) and ESG Committee comprising of following Board Members: Mrs. Rita Menon - Independent Director (Chairperson) Mr. N Suresh Krishnan - Managing Director (Member) Mr. Karim Lotfi Senhadji - Non-Executive Director (Member) Further, the Company has also constituted ESG Steering Committee comprising of senior management to oversee environmental, social, and governance matters across the organization. This committee provides the Board of Directors with updates on ESG priorities and the progress achieved.								

10. Details of Review of NGRBC by the Company:

Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee									Frequency (Annually / Half yearly/ Quarterly / Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	The Company's policies are periodically reviewed by Department heads, Directors, Board committees, or Board members as needed. The Board also evaluates the BRSR annually.																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances																		
	All units of the Company 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 the name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9
No, the Company's policies are not audited or evaluated by external agencies. These policies are reviewed by various committees of the Board of Directors, and the Board periodically reviews and amends them to cater the statutory and business requirements.								

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

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
- The entity does not consider the principles material to its business (Yes/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) - The entity does not have the financial or/ human and technical resources available for the task (Yes/No) - It is planned to be done in the next financial year (Yes/No) - Any other reason (please specify)	All Principles are covered by required policies.								

Business Responsibility & Sustainability Report (Contd.)

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1

Business should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent, and Accountable.

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	1	ESG	90 %
Key Managerial Personnel	3	Code of Business Conduct, Anti Bribery and Anti-Corruption and Human Right, Prevention of Sexual Harassment (POSH), ESG	100 %
Employees other than Board of Directors and KMPs	12	Human right policy, integrated management system (IMS), energy conservation, biomedical waste, safety & security, and skill development.	100 %
Workers	142	Human right policy, integrated management system (IMS), energy conservation, biomedical waste, safety & security, and skill development.	100 %

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 Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NA	NA	NIL	NA	No
Settlement, compounding fees	NA	NA	NIL	NA	NA

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 were monetary on non-monetary action has been appealed.

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

Business Responsibility & Sustainability Report (Contd.)

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

Yes, our Company has a comprehensive Anti-Bribery and Anti-Corruption (ABAC) Policy in place, which applies to everyone working with or on behalf of us. This includes all levels of management, employees (permanent, temporary, or fixed term), directors, consultants, contractors, casual workers, agency staff, agents, and any individual or entity associated with us or our subsidiaries.

Our commitment to ethical business practices is embedded in our Code of Conduct. We strictly prohibit the offering, giving, receiving, or soliciting of bribes or any form of improper payment—whether directly or indirectly—in all interactions with customers, suppliers, government officials, international agencies, or any other third party.

For further information, please refer to the following documents:

- **Anti-Bribery and Anti-Corruption (ABAC) Policy:** <https://www.paradeepphosphates.com/uploads/content/anti-bribery-anti-corruption-abac-policy.pdf>
- **Code of Business Conduct and Ethics:** <https://www.paradeepphosphates.com/uploads/content/code-of-business-conduct-and-ethics-coc.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 2025-2026	FY 2024-2025
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

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

	FY 2025-26		FY 2024-25	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	Nil	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	NA	Nil	NA

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 conflict of interest.

Not Applicable

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

Particulars	FY 2025-26	FY 2024-25
Number of days of accounts payables	69.55	72.35

Accounts payable exclude allowances for Rebates / Incentives expected to be settled in cash with customers

Business Responsibility & Sustainability Report (Contd.)

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 2025-26	FY 2024-25
Concentration of Purchases*	a. Purchases from trading houses as % of total purchases	43.90%	35.42%
	b. Number of trading houses where purchases are made from	24	23
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	81.46%	88.29%
Concentration of Sales*	a. Sales to dealers / distributors as % of total sales	90%	93%
	b. Number of dealers / distributors to whom sales are made	6,155	6,050
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	5.1%	4.6%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	46%	48%
	b. Sales (Sales to related parties / Total Sales)	3%	6%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	Nil	Nil
	d. Investments (Investments in related parties / Total Investments made)	Nil	Nil

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	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	Workshop and awareness session on PPL's Suppliers' Code of Conduct and Supplier's Assessment framework	60%

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

Yes, the Company has a Code of Business Conduct and Ethics that provides clear guidelines on managing conflicts of interest. These provisions apply to all employees, including members of the Board of Directors.

To prevent and manage conflicts of interest:

- Directors are expected to avoid situations where personal interests may conflict with the Company's interests.
- Any actual or potential conflict must be disclosed promptly. Directors are required to recuse themselves from decision-making in such matters.
- Prior approval from the Board is required if a director intends to take up employment with a competitor. However, serving on the Board of another group Company does not require prior approval.
- Gifts or entertainment valued over ₹5,000 are not permitted if they could lead to a conflict of interest or influence decision-making.
- Directors must use Company assets responsibly and in line with Company policies.
- Disclosures made under Section 184 of the Companies Act, 2013, are considered sufficient for conflict-of-interest purposes.
- In the event of a potential conflict, individuals must disclose all relevant facts and seek guidance from their immediate supervisor and/or the Chairman of the Audit Committee. The Company will assess the situation and take appropriate steps to address or resolve the conflict.

For more detailed information, please refer to the full policy here:

<https://www.paradeepphosphates.com/uploads/content/code-of-business-conduct-and-ethics-coc.pdf>

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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.**

	FY 2025-26	FY 2024-25	Details of improvements in environmental and social impacts
Research & Development (R&D)	100%	100%	Following technologies have been implemented related to environmental performance improvement
Capex	20%	5%	• New alkali scrubber • CIP and heat exchanger • Cesium catalyst for converter 1st bed • SAP catalyst • Storm water and STP improvement • GP 2 permitter ditch height increase • Land development • Environmental lab NABPL upgradation

2. **a. Does the entity have procedures in place for sustainable sourcing?**

Yes, we have established a robust supplier assessment framework to support sustainable sourcing, currently being implemented to evaluate suppliers against key Environmental, Social, and Governance (ESG) criteria. This includes systematic supplier screening, mandatory adherence to PPL's Supplier Code of Conduct, and ESG risk assessments through structured questionnaires. Regular senior management reviews ensure the framework remains effective and aligned with our sustainability goals. By enabling data-driven decision-making, it promotes responsible sourcing and the adoption of sustainable practices across our supply chain. Additionally, we conduct awareness sessions to help suppliers enhance their ESG performance, reinforcing our shared commitment to ethical and environmentally responsible business practices.

- b. If yes, what percentage of inputs were sourced sustainably?**

NA

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.**

- a) Plastics (Including packaging) :**

PPL manages plastic waste in accordance with the Plastic Waste Management Rules, 2016 and subsequent amendments. Pre-consumer plastic waste generated across its operations, including raw material packaging and fertilizer packing bags, is segregated at source, collected, and stored in designated areas before being handed over to authorized recyclers approved by the relevant Pollution Control Boards for environmentally sound recycling and disposal.

To address end-of-life management of plastic packaging, PPL has implemented an Extended Producer Responsibility (EPR) framework in line with regulatory requirements. The Company collaborates with authorized recyclers and certified waste management agencies for the collection, transportation, processing, and recycling of post-consumer plastic packaging waste, ensuring responsible resource recovery, regulatory compliance, and promotion of circular economy practices.

- b) E-Waste :**

PPL manages e-waste in accordance with the applicable E-Waste (Management) Rules 2022. E-waste generated across its operations is collected and stored in dedicated facilities designed to ensure safe handling and prevent environmental contamination. The Company maintains records of e-waste generation and disposal as required under the regulations and submits the prescribed statutory returns to the relevant Pollution Control Boards.

To ensure responsible end-of-life management, PPL channels all e-waste only through authorized dismantlers and recyclers approved by the relevant regulatory authorities. Through this approach, the Company promotes the safe recovery of valuable materials, environmentally sound recycling practices, and compliance with regulatory requirements, while minimizing the environmental impact associated with electronic waste.

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c) Acid Batteries :

PPL manages waste batteries in accordance with applicable regulatory requirements and established waste management practices. Used batteries generated across operations are collected and stored safely to prevent environmental contamination and ensure proper handling throughout their lifecycle.

To support responsible end-of-life management, the Company follows a buyback arrangement with authorized vendors for used lead-acid batteries. Through this mechanism, spent batteries are recovered and channelled for authorized recycling and material recovery, promoting resource conservation, regulatory compliance, and environmentally sound disposal practices.

d) Hazardous waste :

PPL manages hazardous waste in accordance with the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 and established Standard Operating Procedures. Hazardous waste generated across its operations is segregated at source, collected in closed containers, and stored in designated hazardous waste storage areas to ensure safe handling and traceability. All containers are labelled in accordance with regulatory requirements, and waste is managed through defined procedures designed to prevent environmental contamination and ensure compliance with applicable regulations.

The Company follows a responsible approach to the treatment, recycling, and disposal of hazardous waste. Wherever feasible, waste streams are recovered and reused within the manufacturing process, such as the recycling of chemical sludge generated from effluent treatment operations into fertilizer production. Other hazardous waste streams, including used batteries and materials requiring external treatment, are channelled through authorized recyclers, vendors, or disposal agencies approved by the relevant Pollution Control Boards. Through these measures, PPL promotes resource recovery, safe disposal, and environmentally sound management of hazardous waste throughout its lifecycle.

e) Other waste such as metal scrap, waste activated carbon, rubber scrap :

PPL follows a structured waste management approach focused on segregation, resource recovery, recycling, and responsible disposal. Across its manufacturing locations, waste is segregated at source into designated streams such as biodegradable, non-biodegradable, and recyclable waste to facilitate appropriate treatment and maximize recovery opportunities. The Company continuously seeks to divert waste from disposal by promoting reuse and recycling wherever it is feasible.

Key practices adopted across the organisation include:

- Organic waste management: Biodegradable waste generated from canteens, offices, clubs, and residential townships is processed through biogas plants, biodigesters, organic waste converters, and vermicomposting units. These systems convert organic waste into biogas and organic manure, which can be beneficially utilized as bio-fertilizer.
- Recycling and recovery: Recyclable waste streams, including metal scrap, waste activated carbon, rubber scrap, and other recoverable materials, are channelled to authorized recyclers or processing agencies for material recovery and reuse.
- Management of non-biodegradable waste: Non-recyclable waste is handed over to authorized waste management agencies for co-processing, recycling, or environmentally sound disposal in accordance with applicable regulations.
- Construction and process waste reuse: Construction debris and spent filter sand are reused wherever feasible for backfilling, foundation work, and road construction activities, reducing the need for virgin materials and supporting circular resource use.
- Municipal waste integration: In locations where municipal collection systems are available, household waste generated in townships is managed through authorized municipal agencies for further treatment and processing.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes). 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) is applicable to PPL, in line with the Plastic Waste Management Rules, 2016 and subsequent amendments. PPL is registered with the Central Pollution Control Board (CPCB) as a Brand Owner and ensures compliance with all relevant environmental regulations for plastic waste handling and disposal.

Business Responsibility & Sustainability Report (Contd.)

- We strictly adhere to all relevant environmental regulations and guidelines for handling and disposing of plastics and packaging. Paradeep Phosphates Limited is registered with the Central Pollution Control Board (CPCB) as a Brand Owner EPR for the disposal of plastic waste generated by PPL's products.
- We are committed to reducing end-user plastic waste and setting an example for other companies. PPL collaborates closely with GEM Enviro Management Private Limited, a Waste Management Agency specializing in the collection and aggregation of various packaging waste types across India, using technology to streamline the process.
- This collaboration with GEM helps PPL fulfill its EPR compliance requirements as stipulated under the Plastic Waste Management Rules, 2016, and its amendments in 2018. It also demonstrates our leadership in managing post-consumer plastic waste.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective/Assessment (LCA) or for its services (for service industry)? (Yes/No).

We have undertaken the Life Cycle Assessment of three of our key products, i.e. Urea (46:0:0), NPK (15:15:15:09) and DAP (18:46:0) to identify the environmental impacts directly attributable to the functioning of a product throughout its life cycle.

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/Assessment (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

No significant social or environmental concerns and/or risks arised from production or disposal of our products, through the Life Cycle Perspective/Assessment (LCA) process.

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 2025-26	FY 2024-25
Phosphogypsum for Zypmite production	1.54%	1.39%
Fly Ash used into SSP which is generated from Coal	0.01%	-

4. Of the products and packaging reclaimed at end of life of products, amount ([n Metric Tons (MT)] reused, recycled, and safely disposed, as per the following format:

	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	-	350.61	-

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

Not Applicable.

The Company's fertilizer products are chemical in nature and cannot be reclaimed, as they are fully consumed during end use. However, the Company reclaims packaging materials used for bagged products in accordance with EPR guidelines.

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PRINCIPLE 3

Businesses should respect and promote the well-being of all employees, including those in their value chain.

Essential Indicators

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

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
				Permanent employees							
Male	2,060	2,060	100%	2,060	100%	0	0	2,060	100%	0	0
Female	103	103	100%	103	100%	103	100%	0	0	0	0
Total	2,163	2,163	100%	2,163	100%	103	4.76%	2,060	95.20%	0	0
				Other than Permanent employees							
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0

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

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
	Permanent workers										
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0
	Other than Permanent workers										
Male	4,715	4,715	100%	4,715	100%	0	0	0	0	0	0
Female	230	230	100%	230	100%	230	100%	0	0	0	0
Total	4,945	4,945	100%	4,945	100%	230	4.44%	0	0	0	0

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format.

Particulars	FY 2025-26	FY 2024-25
Cost incurred on wellbeing measures as a % of total revenue of the Company	0.04%	0.03%

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2. Details of retirement benefits:

Benefits	FY 2025-26			FY 2024-25		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	2.2%	25%	Y	2%	24%	Y
Others – please specify	100%	100%	NA*	100%	100%	Y

Additional benefits are extended to employees as part of wellbeing initiatives.

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/No)

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. (Yes/No)

Yes, we are an equal opportunity employer. When recruiting, developing, and promoting our employees, our decisions are based solely on performance, merit, competence, and potential. We have fair, transparent, and clear employee policies that promote diversity and equality, in accordance with applicable laws and the provisions of the Company's Code of Conduct. This can be accessed at:

<https://www.paradeepphosphates.com/uploads/content/codeofbusinessconductandethicsnew1677899628.pdf>.

5. Return to work & 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%	-	-
Female	100%	100%	-	-
Total	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	Yes, the Company has a well-defined grievance redressal mechanism to address employee concerns and encourage open communication. It follows a three-tier escalation process to ensure timely and effective resolution, offering multiple channels for employees to raise issues, thereby supporting transparency and accountability. Contractual workers can approach a designated Grievance Redressal Mechanism forum by reaching out to their immediate Head, Supervisor, or Manager. Additionally, the Company's Whistle Blower Policy offers a confidential platform for Directors and Employees to report concerns related to unethical behaviour, fraud, or violations of the Code of Conduct and Ethics.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

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

Category	FY 2025-2026			FY 2024-2025		
	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						
Male	2,060	286	14%	1,392	326	23%
Female	103	18	17%	65	18	28%
Total Permanent Workers						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-

8. Details of training given to employees and workers:

Category	FY 2025-2026					FY 2024-2025				
	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	2,060	2,060	100%	1730	83.98%	1,392	974	70%	1,195	86%
Female	103	103	100%	88	85.43%	65	29	45%	24	37%
Total	2,163	2,163	100%	1,818	84.04%	1,457	1,003	69%	1,219	84%
				Workers						
Male	4,715	4,715	100%	0	0	3,111	1,336	43%	0	0%
Female	230	230	100%	0	0	71	36	51%	0	0%
Total	4,945	4,945	100%	0	0	3,182	1,372	43%	0	0%

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

Category	FY 2025-2026			FY 2024-2025		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	2,060	2,060	100%	1,392	1,392	100%
Female	103	103	100%	65	65	100%
Total	2,163	2,163	100%	1,457	1,457	100%
Workers						
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage of such system?

PPL has implemented an Occupational Health and Safety Management System (OHSMS) in accordance with ISO 45001:2018, the internationally recognized standard for occupational health and safety

management. The system is certified by accredited third-party certification bodies and is designed to proactively identify and manage workplace risks, strengthen safety performance, and foster a strong safety culture across the organization.

The OHSMS covers 100% of the Company's manufacturing operations, including the Paradeep (Odisha), Zuarinagar (Goa), and Mangaluru facilities, as well as both permanent employees and contractors

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working at these sites. The scope of certification encompasses the manufacture of ammonia, urea, NPK complex fertilizers, ammonium bicarbonate, sulphuric acid, specialty plant nutrients, fertigation products, soil conditioners, and related chemical products, ensuring a comprehensive and consistent approach to occupational health and safety across PPL's operations.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

PPL follows a comprehensive and risk-based approach to identifying work-related hazards and assessing risks across its operations. Hazard Identification and Risk Assessment (HIRA) is conducted for all routine and non-routine activities to systematically identify potential hazards, evaluate associated risks, and implement appropriate control measures in line with the hierarchy of controls. Risk assessments are reviewed periodically to ensure their continued effectiveness and relevance to operational conditions.

To manage process and operational risks, the Company undertakes specialized studies and assessments, including Hazard and Operability (HAZOP) studies, Quantitative Risk Assessments (QRA), Job Safety Analysis (JSA) for high-risk non-routine activities, and comprehensive process safety audits. Any new process, equipment installation, or modification to existing operations is subject to a formal Management of Change (MoC) process to identify and mitigate potential risks prior to implementation. Findings from these assessments are used to strengthen Standard Operating Procedures (SOPs), Operational Control Procedures (OCPs), Safety Management Plans (SMPs), and other operational controls.

The effectiveness of risk management measures is reinforced through multiple monitoring and engagement mechanisms, including:

- Regular safety inspections by dedicated safety officers and the Fire & Safety Department across all operational areas.
- Periodic third-party safety audits and independent assessments by external experts to identify improvement opportunities.

- Near-miss reporting systems and digital safety platforms that enable employees and contractors to report unsafe conditions, unsafe acts, and potential hazards.
- Cross-functional safety committees, task force teams, and departmental reviews that monitor safety performance and implementation of corrective actions.
- Employee participation through safety surveys, suggestion schemes, safety observations, and awareness initiatives to strengthen the organization's safety culture.
- Regulatory inspections and compliance reviews conducted by relevant statutory authorities.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)

Yes. The Company has established a centralized committee system for workers to raise concerns about work-related hazards. This includes the Central Safety Committee (Apex Safety Committee) Safe Operations Committee, Works Safety Committee and Zonal Safety Committees/ Sectional Safety Committees (Sub-Safety Committees) which are crucial for fostering a culture of safety and accountability. Regular monthly safety meetings conducted by contractors to provide a platform for addressing workers' concerns directly. Safety suggestion boxes placed at the gates and canteen offer an anonymous feedback mechanism, ensuring that every voice can be heard without fear of reprisal.

Additionally, mass safety responsiveness sessions (Safety Mann Ki Baat) are organized every third Thursday of the month, reinforcing the importance of safety in daily operations. Concerns can also be raised during safety theme meetings and morning safety pep talks, providing multiple avenues for workers to engage in the safety dialogue. These measures are not just procedural but are integral to creating a proactive safety culture at PPL.

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 2025-2026	FY 2024-2025
Lost time Injury Frequency Rate (LTIFR) (per one million-person injuries)	Employees	0	0.96
	Workers	0	0.58

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Safety Incident/Number	Category	FY 2025-2026	FY 2024-2025
Total recordable work-related injuries (LTA)	Employees	0	1
	Workers	0	1
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

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

The information regarding measures taken to ensure a safe and healthy workplace is mentioned below:

Leadership & Responsibility

- Sectional heads are responsible for ensuring the safety and health of workers under their control. The unit head is committed to the safety and health of factory workers and the general public in the vicinity.
- Safety Officers coordinate between sectional heads and the unit head, acting as catalysts for safety-related matters.
- Every HOS/HOD sets an accident prevention plan, including reporting near misses, first aid cases, and identifying unsafe actions/conditions.
- A structured incident investigation system is in place for all injuries and near-miss events to prevent recurrence.
- A monetary reward and letter of appreciation is given to employees and contract workers who report near-miss incidents or unsafe conditions.

Awareness Sessions & Training

- An annual safety training calendar is formulated, with monthly status reports monitored by the safety department.
- Daily safety briefings are held at the entry gate for contractors and safety staff.
- Periodic safety awareness sessions, known as 'Gyaan Sabha,' are organized for all employees, supplemented by on-the-job and mobile safety training at work locations.
- Supervisors conduct regular training sessions, including monthly safety meetings with business partners and weekly sessions for contractor supervisors on various safety topics.
- Audio-visual safety induction is provided in multiple languages (Odia, Hindi, and English) for new entrants.
- Safety Digital Display Screens at factory gate entrances continuously play safety education content.

- Monthly recognition is given to individuals for their contributions to the Central Safety Committee (CSC).
- Extensive training is regularly imparted on fire prevention, basic firefighting, rescue operations, usage of personal protective equipment, emergency management, work permit systems, and Safety, Health and Environment management systems.
- Short safety orientation films are screened for visitors before factory entry.
- Public Awareness Programmes are conducted periodically in institutions and villages surrounding the factory to impart awareness on operations, safety, health, and environmental management systems, with distribution of emergency response pamphlets.
- Safety Buddies Program: The Company has implemented a comprehensive program, adopting and mentoring smaller industries to improve their safety standards through knowledge sharing, training, and resource support.

Systems, Procedures & Signage

- Energy Management System (ISO 50001) and 5S certification (Sort, Straighten, Shine, Standardize, and Sustain) have been implemented to ensure high-quality housekeeping and a safe physical environment.
- Work permit system and Lock Out-Tag Out (LOTO) system are followed during all maintenance jobs to ensure safety of employees and contract workers.
- Hazard Identification and Risk Assessment (HIRA) is carried out for all activities in each department, with significant hazards recorded in a Risk Register. Operational Control Procedures (OCP) have been developed for activities involving significant risks, reviewed annually and made accessible via the Company's internal portal.
- All plant modifications undergo HAZOP studies, with recommendations implemented during execution.
- Preventive Maintenance System is followed with each mechanical equipment assigned a unique ID in SAP system, with frequency set based on criticality and automated due date alerts.

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- Trip interlock systems, audio-visual alarms, and safe shutdown systems are provided across all plants to prevent incidents and control abnormal variations in process parameters.
- Control systems prevent formation of flammable mixtures inside reactors.
- Condition monitoring and Remaining Life Assessment (RLA) studies are conducted for all critical equipment with implementation of OEM recommendations.
- Work permit system ensures controlled hot work with strict supervision.
- Material Safety Data Sheets (MSDS) of all chemicals are available in plant control rooms and on the internal portal. Hazard communication boards are displayed near hazardous chemical storage areas. A comprehensive chemical safety guide has been prepared and distributed to all employees.
- Well-maintained workplace model AAINAA (Advance Action in Industries to Abate Accidents) implemented across multiple locations.
- Safety rules are prominently displayed throughout the facilities.
- New road safety signs including cat eyes, median markers, delineators, thermoplastic paint, and tree reflectors have been placed inside the plant.
- New heavy vehicle drivers are required to sign a road safety declaration upon entry.
- Technology deployment includes GPS in hazardous tankers, thermal imaging cameras for electrical inspection, STK systems, satellite phones, communication earmuffs, and LED displays at entry gates.
- Safety leaflets in regional languages have been printed and issued to contractor workers, and Transport Emergency Cards distributed to tanker drivers.

Engineering Controls & Equipment Safety

- Machine guarding has been provided for all moving parts with regular painting and maintenance/replacement.
- Gas detectors (Ammonia, Hydrogen, LPG, Natural Gas) are installed at relevant handling areas with alarms connected to the main control room.
- Earthing and bonding is provided for all vessels and pipelines handling flammable chemicals to prevent static charge accumulation.
- Lightning conductors cover all plant areas.
- Burner Management Systems are provided in fired heaters to prevent backfire and furnace explosions.
- Area classification for electrical equipment in hazardous areas is implemented as per standards.
- High vents are provided in all plants. Negative draft is maintained in furnaces to prevent leakage of hot flue gases and toxic by-products.
- Separation distance is maintained between storages and heat sources.
- Non-sparking tools are used for maintenance in areas handling flammable substances.
- Regular thickness surveys are conducted for Ammonia and Natural Gas pipelines, and marine unloading arms are regularly pneumatic tested.
- Ammonia flare stack safely disposes of ammonia gas during abnormal pressure rise in storage tanks.
- All pressure vessels are examined by a competent person once every two years as per Karnataka Factories Rules, 1969, with reports maintained in Form-7.
- All lifting machines, tools, and tackles are examined annually by a competent person as per Karnataka Factories Rules, 1969, with reports maintained in Form-32.
- A cross-functional team and recently formed committee conduct monthly inspections of lifting tools, tackles, slings, and wire ropes.

Fire Prevention & Emergency Response

- A full-fledged Fire & Safety Department functions round the clock, manned by qualified and trained personnel, equipped with:
 - Fire Tender (4000 litres water capacity, 2500 litres foam, 3200 LPM discharge)
 - Multipurpose Fire Tender (3000 litres water, 250 litres foam, 1000 Kg DCP powder, with Ultra High-Pressure pump)
 - Trailer Fire Pump (1800 LPM capacity)
- Advanced fire detection systems featuring optical smoke detectors, response indicators, hooters with flashers, and repeater panels have been installed.
- Water mist fire extinguishers from Advanced Firefighting Technology, Germany, are available.
- 10,000 litres of foam compound is stored on-site for emergencies.
- Underground fire hydrant system has been revamped with new header pipes and additional auto-start pumps meeting latest standards.

Business Responsibility & Sustainability Report (Contd.)

- Transformers are protected with High Velocity Water Spray System.
- Water pond constructed for emergency acid splash situations.
- Mutual Aid arrangements are available from neighboring industries.
- On-site Emergency Plan approved by the Director of Factories is available, with emergency mock drills conducted every six months with District Crisis Group members and observers from neighboring industries. Internal drills are also conducted for localized scenarios.
- Emergency plans are accessible on the internal portal and distributed as handouts to all employees.
- Waste materials are removed regularly, and grass cutting is performed around areas with fire hazard potential.

Health & Medical Facilities

- High priority is given to health and hygiene monitoring at the workplace.
- Annual health checkups are conducted for all employees and regular contractor workers. Employees in high noise areas undergo annual audiometry tests. Those working in hazardous process plants undergo Pulmonary Function tests and vision tests as per statutory requirements.
- Well-equipped Occupational Health Centre (OHC) functions round the clock with a qualified doctor and trained male nurses, equipped with 6 beds, latest medical equipment, centralized oxygen system, ECG machine, automated external defibrillator, oxygen concentrator, and suction apparatus.
- Well-equipped hospital on campus provides round-the-clock health services to employees and their families.
- A total of 33 first aid boxes are strategically placed at various locations inside the factory.
- Diphoterine solution is available in all sections for immediate treatment of chemical splashes to eyes or body.
- Burn-free first aid kits and blankets have been distributed to all sections.
- Drinking water is tested periodically for potability, with samples analyzed for E-Coli and Coliform organisms by third-party laboratories.

Workplace Monitoring

- Monitoring of chemical concentration and particulate matter in work environment is carried out once every six months.

- Noise level measurement is conducted in all plant areas periodically.
- Illumination survey is carried out for the entire factory once every six months.
- Hygiene & Ergonomics surveys, Ventilation & Illumination surveys, and Process Safety Management gap assessments are conducted periodically.

Personal Protective Equipment

- Personal Protective Equipment (PPE) is provided to workers to ensure their safety and protection within the plant.
- Cooling vests are provided to support workers in high-temperature, high-humidity areas and confined spaces.

Safety Promotional Activities

- Safety promotional campaigns including National Safety Day, Fire Service Week, Road Safety Week, National Electrical Safety Week, Odisha Disaster Preparedness Day, and Chemical Disaster Prevention Week are observed with various training programmes and competitions such as safety slogan contests, safety sketch contests, safety quizzes, proper usage of PPE contests, and rescue operation contests.
- Safety posters and slogans are displayed at various locations throughout the factory.
- A quarterly SHE Newsletter is published and circulated to all employees.
- SHE suggestion scheme encourages employees to express opinions, suggestions, and concerns on Safety, Health and Environment systems.
- Safety Awards are given to contractors for best safety performance.
- Government 10-point action plan is implemented, including Annual Safety Calendar, Safety Touch, Safety Hot Spots, and Use of Technology.

Assessments & Audits

- Audits performed by DuPont certified executives and external consultants.
- Internal audits, external audits, CIGG audits, Hygiene & Ergonomics surveys, Ventilation & Illumination surveys, and Process Safety Management gap assessments are conducted during the year.
- Worker participation is ensured in safety committees, with contract workers included as members in Plant Level Safety Committees and Central Safety Committee. Departmental level SHE Communication meetings are conducted once every three months with participation from all employees and contractor workers.

Business Responsibility & Sustainability Report (Contd.)**13. Number of Complaints on the following made by employees and workers:**

	FY 2025-2026			FY 2024-2025		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	NA	0	0	0
Health & Safety	0	0	NA	0	0	0

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

Not Applicable as there are no reportable safety related incidents in the year 2025-26.

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)**

Yes

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Internal auditor conducts regular audits, and a yearly audit is performed by the Statutory Auditors of the Company.

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)

Category	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 2025-2026	FY 2024-2025	FY 2025-2026	FY 2024-2025
Employees	0	0	00	00
Workers	0	0	00	00

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

5. Details of assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and Safety Practices	Nil
Working Conditions	Nil

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.

Not Applicable

Business Responsibility & Sustainability Report (Contd.)

PRINCIPLE 4

Business should respect the interest of and be responsive to all its stakeholders,

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Our process for identifying key stakeholders involves recognizing those who play a critical role in our business success and value creation. We prioritize stakeholders such as employees, customers, suppliers, investors, shareholders, regulators, and community members.

We engage in regular and meaningful dialogues with these groups to foster collaboration and gather insights. This ongoing interaction ensures that our business strategy aligns with stakeholder expectations and enables us to take timely actions to sustain and enhance value.

2. List stakeholder groups identified as key for your entity and the frequency or engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice, Board Website), Other	Frequency of engagement (Annually/Half yearly/ Quarterly/ others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	- Satisfaction surveys - Grievance redressal - Annual engagement activities - Meetings with employee associations and unions	Regular and on a continuous basis	- To inform about employees' well-being initiatives - For training and development - To address employees' grievances - Intimation regarding the Company's progress and growth plans
Customers	No	- Annual customer meetings - Zonal customer meet - Customer interactive meet	Regular and on a continuous basis	- Ensuring customer satisfaction and needs are met - Resolving customer grievances - Information about products, their use and benefits
Suppliers	No	- Supplier meets - Industry conclave	Regular and on a continuous basis	- Ensuring business ethics and alignment with organizational values - Ensure quality of material is met - Integration of ESG aspects into supplier operations

Business Responsibility & Sustainability Report (Contd.)

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice, Board Website), Other	Frequency of engagement (Annually/Half yearly/ Quarterly/ others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors/ Shareholders	No	- Investor meets - Press release - General Meetings, - Disclosures stock exchanges , - Annual Report - Notices to shareholders - Disclosures stock exchanges , - Annual Report - Notices to shareholders	Regular and on a continuous basis	- To provide updates on the Company's business and financial performance - Regarding growth and future strategy
Government and Regulatory authorities	No	- Through MoUs - Quarterly, half yearly - Progress Report - Annual Report	Regular and on a continuous basis	- Regarding clarification of guidelines and advice on technical/ regulatory points - To share updates on the Company's initiatives to ensure alignment with regulatory requirements
NGOs/ Community members	Not all stakeholder groups are Considered vulnerable. (In the local community, the Company works with the lower socioeconomic section of society)	- Project Meetings - Annual Reviews	Event driven and on need basis	- Provide support to NGOs for social upliftment - Ensure communities we operate in are supported through a network of NGOs - Creating shared value

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.

There is a regular and systematic dialogue in place with stakeholders, where their feedback on pertinent issues is gathered. Periodic reviews of the stakeholder engagement process and responses from the engagement help us stay aligned with evolving stakeholder expectations and emerging issues. This feedback is documented and communicated to the Board, which ensures that they are fully informed of stakeholder concerns and insights.

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 or the entity.

Yes, stakeholder consultation is integral to our process for identifying and managing environmental and social topics. In FY 2021-22, we conducted a materiality assessment, which helped us pinpoint and prioritize the most significant environmental, social, and governance (ESG) issues relevant to our business, stakeholders, and long-term sustainability. These insights guided us in developing robust management strategies and risk mitigation techniques. We transparently disclose these strategies, along with our progress, in our annual sustainability report.

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

We engage with marginalized and vulnerable community stakeholders through various CSR initiatives. Our focus areas includes education, livelihood improvement, healthcare, vocational training, environmental sustainability, and farmer collaboration, all aimed at creating positive social impact.

Business Responsibility & Sustainability Report (Contd.)

PRINCIPLE 5

Businesses should respect and promote human rights

Essential Indicators

- Employees and workers who have been provided training on human rights issued and policy(ies) of the entity, in the following format:

Category	FY 2025-2026			FY 2024-2025		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (A)	No. of employees / workers covered (B)	% (B/A)
Employees						
Permanent	2,163	1,001	46.28%	1,457	470	32%
Other than permanent	0	0	-	-	-	-
Total Employees	2,163	1,001	46.28%	1,457	470	32%
Workers						
Permanent	-	-	-	-	-	-
Other than permanent	4,945	32	0.64%	3,182	95	3%
Total Workers	4,945	32	0.64%	3,182	95	3%

- Details of Minimum wages paid to employees and workers, in the following format:

Category	FY 2025-2026					FY 2024-2025				
	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)	No. (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
				Employees						
Permanent										
Male	2,060	0	0%	2,060	100%	1,392	0	0%	1,392	100%
Female	103	0	0%	103	100%	65	0	0%	65	100%
Other than Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
				Workers						
Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Other than Permanent										
Male	4,715	3,623	76.83%	1,167	24.3%	3,111	0	0%	3,111	100%
Female	230	185	80.43%	45	19.5%	71	0	0%	71	100%

- Details of remuneration/salary/wages, in the following format:

a. Median remuneration / wages:

Category	Male		Female	
	Number	Median remuneration / salary / wages of respective category	Number	Median remuneration / salary / wages of respective category
Board of Directors (BOD)	08 [#]	1,540,000	02 [*]	835,000
Key Managerial Personnel	03	10,983,168	00	0
Employees other than BOD and KMP	2,057	857,688	103	773,226
Workers	4,715	2,55,204	230	2,18,712

* Sitting fees and Commission paid to both female directors.

[#] Other than Managing Director

Business Responsibility & Sustainability Report (Contd.)

b. Gross wages paid to females as a % of total wages paid by the entity, in the following format:

Particulars	FY 2025-26	FY 2024-25
Gross wages paid to females as a % of total wages	3.8%	3.2%

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

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

The Company has put in place an effective grievance redressal mechanism to address employee concerns, including those related to human rights. The process follows a three-tier escalation structure, offering employees several channels to raise their concerns such as direct discussions with departmental heads or supervisors, emails, or written letters. All grievances are reviewed by a designated committee that assesses, investigates, and recommends appropriate corrective actions to the relevant Business Units. To ensure oversight and accountability, the Member Secretary prepares a quarterly summary of any human rights-related complaints and corresponding actions, which is submitted biannually to the Chief Human Resources Officer and the Managing Director.

For more details, please refer to our Human Rights Policy:

<https://www.paradeepphosphates.com/uploads/content/human-rights-policy.pdf>

6. Number of Complaints on the following made by employees and workers:

	FY 2025-2026			FY 2024-2025		
	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	NIL	NIL	-	NIL	NIL	-
Discrimination at workplace	NIL	NIL	-	1	1	Resolved
Child Labor	NIL	NIL	-	NIL	NIL	-
Forced Labor/Involuntary Labor	NIL	NIL	-	NIL	NIL	-
Wages	NIL	NIL	-	NIL	NIL	-
Other human rights related issued	NIL	NIL	-	NIL	NIL	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

Particulars	FY 2025-26	FY 2024-25
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

Business Responsibility & Sustainability Report (Contd.)

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has implemented a Prevention of Sexual Harassment Policy, maintaining a strict zero-tolerance stance. We have established an Internal Complaints Committee (ICC) dedicated to addressing and resolving complaints with empathy and urgency, ensuring victims receive the necessary support and justice. Furthermore, our Whistleblower Policy provides a secure and confidential channel for reporting concerns, safeguarding the integrity and trust of all employees.

9. Do human rights requirements form part of your business agreements and contracts?

Yes, as part of Suppliers Code of Conduct.

10. Assessment for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	
Forced/Involuntary labor	
Sexual harassment	100%
Discrimination at workplace	
Wages	
Others	NA

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

Not Applicable.

Leadership Indicators

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

PPL has established a comprehensive Company-wide human rights due diligence process to proactively identify, assess, and manage potential impacts and risks related to respecting human rights across all operations. Our due diligence and risk identification process focuses on addressing critical issues and protecting vulnerable groups, including forced labor, human trafficking, child labor, freedom of association, the right to collective bargaining, equal remuneration, and discrimination.

2. Details of the scope and coverage of any Human rights due diligence conducted.

We conduct thorough human rights risk identification across our own operations, within our value chain, and in any activities related to our own operations along with our value chain or other activities related to our business including new business relationships such as mergers, acquisitions and joint ventures. We also do a systematic periodic review of the risk mapping of potential issues.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements or the Rights of Persons with Disabilities Act, 2016?

Yes, our premises are designed to ensure unhindered accessibility for differently abled individuals.

4. Details on assessment of value chain partners:

Not Applicable.

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

Not Applicable.

Business Responsibility & Sustainability Report (Contd.)

PRINCIPLE 6

Businesses should respect and make efforts to protect and restore the environment

Essential Indicator

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2025-2026*	FY 2024-2025
From renewable sources		
Total electricity consumption (A)	1,338.50 GJ	672.8 GJ
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	1,338.50 GJ	672.8 GJ
From non-renewable sources		
Total electricity consumption (D)	365,887.37 GJ	1,114,533.20 GJ
Total fuel consumption (E)	12,530,102.21 GJ	8,959,826.00 GJ
Energy consumption through other sources (F)	8,975,905.26 GJ	5,051,292.78 GJ
Total energy consumed from non-renewable sources (D+E+F)	21,871,894.84 GJ	15,125,651.20 GJ
Total Energy Consumed (A+B+C+D+E+F)	21,873,233.34 GJ	15,126,324.00 GJ
Energy intensity per rupee of turnover (Total energy consumption/turnover in million ₹)	100.21 GJ/million ₹	109.4 GJ/million ₹
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	2,012.31 GJ/ million ₹ (PPP adjusted)	2,494 GJ/ million ₹ (PPP adjusted)
Energy intensity (Total energy consumption/metric tonnes of production)	5.88 GJ / Metric tonnes of production	5.75 GJ / Metric tonnes of production

* The values represent the data across all four (04) plants (previous year 02 plants).

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

Yes. Energy Audit was conducted through M/S Power Tech (Accredited Energy Audit Agency) for Paradeep unit and for the Goa unit it was conducted through M/S Green Flame (Accredited Energy Audit Agency) for the reporting year 2025-26. The audit for Mangalore unit was conducted by Devki Energy Consultancy Pvt. Limited (Accredited Energy Audit Agency).

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.

Not applicable. As per the amendments to the PAT scheme implemented by the Bureau of Energy Efficiency (BEE), Government of India, for Cycle VII (2022-2025), the fertilizer sector has been removed from the list of designated sectors. This exemption is due to the sector having already achieved substantial energy efficiency improvements, with limited potential for further enhancements under the scheme's framework. Consequently, the provisions and obligations of the PAT scheme are no longer applicable to entities operating within the fertilizer sector for the current cycle.

Business Responsibility & Sustainability Report (Contd.)

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2025-2026*	FY 2024-2025
Water withdrawal by source (in kiloliters)		
(i) Surface (Municipality) water	10,475,846.00	6,718,561.2
(ii) Ground water	-	-
(iii) Third party water	-	3,462,850
(iv) Sea water/desalinated water	-	-
(v) Others	2,507,141.00	-
Total volume of water withdrawal (in kiloliters) (i+ii+iii+iv+v)	12,982,987.00	10,181,411.2
Total volume of water consumption (in kiloliters)	12,982,987.00	10,181,411.2
Water intensity per rupee of turnover (Water consumed/turnover in million rupees)	59.48 KL/Million	73.67 KL/Million
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP in million ₹)	1,194.42 KL/million (PPP adjusted)	1,679.8 KL/million (PPP adjusted)
Water intensity in terms of physical output (Total water consumption / Metric tonnes of production)	3.49 KL/Million	4.45 KL/Million

* The values represent the data across all four (04) plants (Previous Year 02 Plants).

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

Yes.

TUV India Private Limited.

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

We have implemented Zero Liquid Discharge mechanisms, achieved by a closed-loop water cycle and various recycling routes. All of our manufacturing plants are equipped with Effluent Treatment Plants (ETP) and Sewage Treatment Plants (STP) to treat wastewater efficiently.

Process condensate from the Ammonia plant is reused, while multiple closed-loop cooling systems are in place across Ammonia, Urea, and Power plants to ensure water recycling. Effluents from NPK and other plants, including spillages and washings, are collected, and reused in the NPK plants process, enabling recovery of valuable nutrients.

Wastewater streams including cooling tower blowdown, filter backwash, and DM plant acid/alkali regeneration are treated through a Reverse Osmosis (RO) system, and the recovered permeate is reused as make-up water in cooling towers.

Domestic wastewater is treated in the Sewage Treatment Plant (STP) and reused within the plant.

Through these measures and adoption of the 3R principle (Reduce, Reuse, Recycle), the Company has achieved Zero Liquid Discharge.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Unit	FY 2025-2026*	FY 2024-2025
NOx	MT	789.00	575.72
Sox	MT	1,451.74	1,436.37
Particulate matter (PM)	MT	1,627.63	1,311.12
Persistent organic pollutants (POP)	MT	0	NA
Volatile organic compounds (VOC)	MT	0	NA
Hazardous air pollutants (HAP)	MT	0	NA
Others – please specify (NH3)	MT	1,425.62	19.9

* The values represent the data across all four (04) plants (Previous Year 02 Plants).

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

TUV India Private Limited.

Business Responsibility & Sustainability Report (Contd.)

6. Provide details of greenhouse gas emission (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2025-2026*	FY 2024-2025
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₂ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tonnes of CO ₂ eq.	7,42,821.81	4,68,920
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tonnes of CO ₂ eq.	72,161.12	67,897
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	tonnes of CO ₂ eq./ Million rupees	3.73	3.88
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)	tonnes of CO ₂ eq./ Million rupees	74.98	88.52
Total Scope 1 and Scope 2 emission intensity (Total energy consumption/ metric tonnes of production)	tonnes of CO ₂ eq./ Metric tonnes of production	0.22	0.20

* The values represent the data across all four (04) plants (Previous Year 02 Plants).

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

Yes

TUV India Private Limited

7. Does the entity have any project related to reducing Greenhouse Gas emission? If Yes, then provide details.

We are dedicated to continuously enhancing energy efficiency and minimizing the carbon footprint of our operations. To this end, we have initiated several projects. One notable initiative is the implementation of Heat Recovery Systems (HRS) across all three of our sulphuric acid plants, which harnesses steam produced in the Sulphuric Acid Plant for captive power generation, thus improving energy efficiency and reducing our environmental impact.

Additionally,

- The Company is implementing steam air preheaters for our two trains during FY 24-25, at our plant in Paradeep,
- Goa Unit has undertaken phase wise implementation of Energy saving projects aimed to reduce specific energy consumption and GHG emissions.
- Phase-II of the project is currently in the engineering phase and is scheduled for commissioning by April 2026 to reduce Urea specific energy consumption by 0.3 GCal/MT. The corresponding reduction in GHG emission will be approximately 36000 MT/year.
- Phase-III will be implemented by April 2027. Post implementation, Urea Specific energy consumption will further reduce by 0.3 GCal/MT. The corresponding reduction in GHG emission will be approximately 36,000 MT/Year.

In PPL Mangalore facility:

- Company has integrated the Steam generated from Waste Heat in Sulphuric Acid Plant with Urea production, replacing equivalent steam generated from Natural gas fired boiler. This will reduce consumption of natural gas for steam production which reduces emission of about 16,000 tonnes of CO₂ annually.
- Floating Solar PV Plant of capacity 2.3 MW is installed on BOOT basis in the water reservoirs, which will reduce CO₂ emission by 2,650 tCO₂eq. annually
- Company has partnered in a Wind-Solar Hybrid Group Captive Power plant to procure about 14.69 million kWh of Renewable energy annually, reducing CO₂ emissions of 10,267 tCO₂eq. annually.
- Waste Heat recovery units are installed in fired heaters of Ammonia plant to recover heat from exhaust flue gases, reducing emission of about 1,000 tCO₂eq. annually.
- CO₂ compressor suction chilling was implemented in Urea plant, reducing power consumption in CO₂ compression. Annual reduction in CO₂ emission is about 750 tCO₂eq.

Business Responsibility & Sustainability Report (Contd.)

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2025-2026*	FY 2024-2025
Total Waste generated (in metric tons)		
Plastic waste (A)	**435.03	6,854.24
E-waste (B)	25.17	10.92
Bio-medical waste (C)	0.64	0.38
Construction and demolition waste (D)	-	-
Battery waste (E)	8.34	3.41
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	4,547.01	5,059.72
#Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	2,510,475.42	1,875,875.72
Total (A+B+C+D+E+F+G+H)	2,515,491.61	1,882,718.77
Total waste per rupee of turnover	11.53	17.6
(Total Scope 1 and Scope 2 GHG emissions / Revenue from operations in million ₹)		
Total waste generated / Revenue from operations adjusted for PPP	231.42	402
Waste intensity in terms of physical output	0.68	0.92
For total waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)		
(i) Recycled	1,604,206.77@	3751.46
(ii) Re-used	42,842.99	3321.5
(iii) Other recovery operations	868,037.03	0
Total	2,515,086.78	7072.96
For total waste generated, total waste disposed by nature of disposal method (in metric tons)		
(i) Incineration	9.90	12.53
(ii) Landfilling	-	125.96
(iii) Other disposal operations Disposed through authorized recyclers/users	395.00	9,87,064.95
Total	404.90	9,87,202

* The values represent the data across all four (04) plants (Previous Year 02 Plants).

** Plastic waste represents other than EPR waste.

#Includes Data for Phosphosypsum.

@ Includes Phosphogypsum sold towards Recycling in Cement Manufacturing by External Agencies

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes/ No

YES

TUV India Private Limited

9. 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.

PPL follows a structured waste management framework built on the principles of Reduce, Reuse, and Recycle, with a strong focus on waste minimization, resource recovery, and environmentally sound disposal. Waste generated across operations is segregated at source and managed through established Standard Operating Procedures (SOPs) for collection, storage, treatment, recycling, and disposal. Biodegradable waste is processed through composting, biodigesters, biogas plants, and organic waste converters, while recyclable materials are channelled to authorized recyclers and waste management agencies. Construction debris and other suitable process wastes are reused in applications such as backfilling, foundation work, and road construction, supporting circular use of resources. Plastic waste is managed in compliance with the Plastic Waste Management Rules, 2016, including Extended Producer Responsibility (EPR) obligations through authorized collection and recycling partners.

The Company is committed to reducing the use of hazardous and toxic chemicals through process optimization, improved material efficiency, and substitution with safer alternatives wherever technically feasible. Hazardous waste is managed in accordance with the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, with appropriate segregation,

Business Responsibility & Sustainability Report (Contd.)

labelling, storage, and disposal through authorized recyclers, co-processors, and treatment facilities. PPL continuously works to reduce hazardous waste generation through recovery and reuse initiatives, including:

- Sulphur muck – Sulphur muck generated from production of sulphuric acid is repurposed as a filler in fertilizer manufacturing. Additionally, we use molten sulphur from IOCL to minimise the generation of sulphur muck.
- ETP Sludge – ETP sludge is also utilised as a filler in fertilizer production. We are also continuously working to reduce effluent to the ETP and minimize the generation of ETP sludge.

As part of its commitment to cleaner production and compliance with the Charter on Corporate Responsibility for Environmental Protection (CREP), the Company has also phased out the use of arsenic in the CO₂ absorption system of its ammonia plant and replaced the arsenic-based solution with a safer, non-arsenic dual activator-based GV solution. Regular monitoring, audits, and employee training programmes are conducted to ensure regulatory compliance and drive continual improvement in waste management and environmental performance.

10. 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. The Company does not have any operations or offices located in or around ecologically sensitive areas such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, forests, or coastal regulation zones requiring specific environmental clearances.

11. Details of environmental impact assessment of projects undertaken by the entity based on applicable laws, in the current financial year:

Not applicable. No new projects requiring Environmental Impact Assessment (EIA) as per applicable laws were undertaken during the current financial year.

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

Yes, the Company is compliant with all applicable environmental laws and regulations in India, including the Water (Prevention and Control of Pollution) Act, 1974; Air (Prevention and Control of Pollution) Act, 1981; and the Environment (Protection) Act, 1986 and rules made thereunder. There are no instances of non-compliance during the reporting period.

Leadership Indicators

1. Provide the following details related to water discharged:

Parameter	FY 2025-2026	FY 2024-2025
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water	-	-
- No treatment	-	-
- With treatment-please specify level of treatment	-	-
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatments – 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 kilolitres)	-	-

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

YES

TUV India Private Limited

Business Responsibility & Sustainability Report (Contd.)

2. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):

For each facility/plant located in areas of water stress, provide the following information:

- Name of the area - Mangalore
- Nature of operations - Fertilizer manufacturing
- Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2025-2026	FY 2024-2025
Water withdrawal by source (in kilolitres)		
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water	NA	NA
(iv) Seawater / desalinated water	NA	NA
(v) Others	24,86,050	0
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	24,86,050	0
Total volume of water consumption (in kiloliters)	24,86,050	0
Water intensity per rupee of turnover (Water consumed / turnover)	11.39	0
Water intensity per rupee of turnover (Water consumed / turnover) adjusted for PPP	228.68	0
Water intensity (optional) per tonne of production	0.67	NA

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? If yes, name of the external agency. Yes/No

Not Applicable

3. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2025-2026*	FY 2024-2025
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	10,770,476	7,409,337
	tonnes of CO2 eq./ Million rupees	49.35	53.61
Total Scope 3 emissions per tonne of production	tonnes of CO2 eq./ Metric tonnes of production	2.90	2.81

* The values represent the data across all four (04) plants (Previous Year 02 Plants).

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

YES

TUV India Private Limited

4. 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. The Company's operations are not located in or around ecologically sensitive areas.

5. 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 initiative, as per the following format:

S. N.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative	Collective action taken, if any
1	Paradeep Plant - Replacement of old LT Motor with New Energy Efficient Motor	During 2024-25, we replaced 12 numbers of old LT motors with new Energy efficiency motors to improve efficiency and minimise energy consumption.	The initiative resulted in electricity saving of 127,092 KWh and cost saving of ₹ 8.3 Lakhs per annum.	No

Business Responsibility & Sustainability Report (Contd.)

S. N.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative	Collective action taken, if any
2	Paradeep Plant - Replacement of Old CW Pump 460 kW with of 300 kW Pump at SAP plant	After installing Heat Recovery Systems (HRS), the overall water requirement decreased. This gives an opportunity to reduce our energy consumption by installing a new cooling water pump with a lower capacity of 300 kW.	Reduction in energy consumption: 1,262,059 kWh	No
3	Paradeep Plant - Implementation of Energy saving project phase-II by April 2026, which is under engineering phase	i. Replacement of Steam Turbine of Air Compressor ii. Revamp of Synthesis Gas Compressor and replacement of Synthesis Gas Compressor Turbine in Ammonia plant. iii. Installation of MP stripper in Ammonia plant.	Reduction in Ammonia Specific energy consumption by 0.52 GCal/MT Ammonia and corresponding reduction in Urea specific energy consumption by 0.3 GCal/MT. Reduction in GHG (CO ₂) emission by 18,000 MT per annum.	No
4	Paradeep Plant - Implementation of Energy saving project phase-III by April 2027. The project is currently under Basic Engineering phase.	i. Installation of Gas Turbine and HRSG. ii. Converting condensing steam drives into Motor drives.	Reduction in Ammonia Specific energy consumption by 0.52 GCal/MT Ammonia and corresponding reduction in Urea specific energy consumption by 0.3 GCal/MT. Reduction in GHG (CO ₂) emission by 18,000 MT per annum.	No
5	Goa Plant - ZLD Implementation:	Integration of ETP, RO, STP and recycling systems to treat and reuse wastewater streams.	Achieved 100% zero effluent discharge and significant reduction in freshwater consumption.	No
6	Goa Plant - Process Water Recovery & Reuse	Recovery of process condensate from Ammonia and Urea plants and reuse in cooling process operations.	Approximately 100m ³ is recovered, improving water use efficiency and reduced dependency on fresh water sources	No
7	Goa Plant - Closed Loop Cooling Systems	Installation of closed-loop cooling systems across Ammonia, Urea, and Power plants	Minimization of water losses and reduction in wastewater generation	No
8	Goa Plant - RO-Based Treatment of Waste Streams	Treatment of cooling tower blowdown, filter backwash, and DM plant regeneration effluent through RO	Enhanced water recovery and reduce freshwater consumption resulting in 90% of water recovery, and other 10% reused within operations	No
9	Mangalore Plant - Waste heat and steam recovery	Integrating Sulphuric Acid production with Urea production to use waste heat generated steam in Sulphuric Acid in Urea production, replacing steam generated from Natural gas (fossil fuel)	Replacing about 90,000 tonnes of steam generated from Natural gas with Waste heat generated steam.	No
10	Mangalore Plant - Waste heat recovery	Installation of waste heat recovery units in Fired heater to recover heat in flue gas for boiler feed water heating	Approximately 18,000 MMBTU of Natural Gas is saved annually.	No
11	Mangalore Plant - Energy Efficient Chilling Unit	Installation of Chilling unit for Suction chilling of CO ₂ compressor, reducing power consumption resulting in NG saving	Reduction in power consumption of approximately 1.52 Million units annually.	No

Business Responsibility & Sustainability Report (Contd.)

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

Yes, we have an onsite and offsite emergency plan that includes Standard Operating Procedures (SOPs) for various identified disasters. This is designed to ensure business continuity and safeguard personnel safety.

7. 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?

No adverse impact on the environment was observed in the reporting year.

8. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

None.

PRINCIPLE 7

Businesses, when engaged in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicator

1. a. Number of affiliations with trade and industry chambers/associations.

We are associated with nine (09) trade bodies/ associations.

b. List the top 10 trade and industry chambers/associations (determined based on the total members of such a body) the entity is a member of/affiliated do.

S. N.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/National)
1.	Confederation of Indian Industry (CII)	National
2.	Assocham	National
3.	Fertilizer Association of India (FAI)	National
4.	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
5.	Indian Chamber of Commerce	National
6.	International Fertilizer Association (IFA)	International
7.	Green Triangle Society	State
8.	Goa Management Association	State
9.	Karnataka Employer's Association	State

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conducted by the entity, based on adverse orders from regulatory authorities.

Not applicable

Leadership Indicators

1. Details of public policy positions advocated by the entity:

Not Applicable

Business Responsibility & Sustainability Report (Contd.)

PRINCIPLE 8

Businesses should promote inclusive growth and equitable development

Essential Indicator

1. Details of Social Impact Assessment (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

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:

Not applicable

3. Describe the mechanism to receive and redress grievances of the community.

PPL has instituted a structured grievance redressal system to uphold transparency and accountability across all CSR projects.

Grievance Registration Channels

- **Suggestion registers:** Maintained at livelihood project sites and Gram Panchayat offices for easy community access.
- **Dedicated phone line:** Enables real-time reporting with digital record keeping.
- **Field interface:** Grievances captured through direct interactions with field staff and SHG leaders trained to document verbal complaints.
- **CSR officer engagement:** Beneficiaries can raise concerns directly during site visits.
- **Plant-level access point:** A grievance register is maintained at the plant security gate for ease of access.
- **Grievance Redressal Process Registration:** All grievances are formally recorded upon receipt.
- **Screening and categorization:** CSR team reviews and classifies grievances (environmental, land-related, or quality of work).
- **Investigation and verification:** Detailed checks through site visits, stakeholder interactions, and document review.
- **Resolution and communication:** Appropriate solutions are implemented and communicated back to the complainant.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2025-2026	FY 2024-2025
Directly sourced from MSMEs/ Small producers	3.20%	7%
Directly from within India	13.62%	25%

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 2025-2026	FY 2024-2025
Rural	0	0
Semi-urban	0	0
Urban	86.67%	83.24%
Metropolitan	13.33%	16.76%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Business Responsibility & Sustainability Report (Contd.)

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessment (Reference: Question 1 of Essential Indicators above):

Although a Social Impact Assessment is not mandated for our projects, we voluntarily undertook such a study in FY 2023-24 to evaluate the depth, effectiveness, and outreach of our CSR initiatives. While no new assessment was conducted in FY 2025-26, the insights from the earlier study continue to inform our approach, ensuring that potential social impacts are proactively understood and addressed.

In December 2025, a fresh impact study was carried out at the Mangalore facility. This assessment reviewed programs across education, healthcare, sanitation, environmental sustainability, community development, agriculture, and women's empowerment.

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 ₹)
In FY 2025-26, we did not undertake any CSR initiatives in aspirational districts			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups? (Yes/No)

(b) From which marginalized/vulnerable groups do you procure?

(c) What percentage of total procurement (by value) does it constitute?

No, the Company at present does not have a preferential procurement policy.

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:

Not Applicable

5. Details of corrective actions taken underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Not Applicable

6. Details of beneficiaries of CSR Projects:

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Healthcare and WaSH	28,926	80.00%
2	Promotion of Quality Education and Educational Facilities	30,425	80.00%
3	Community Empowerment	8,477	100.00%
4	Environment and Biodiversity	39,627	100.00%
5	Rural & Slum Development Projects	7,027	100.00%
6	Aspiration District Program	In FY 2025-26, initiatives in Aspirational Districts were phased out in order to strategically channel resources toward plant periphery villages, enabling deeper engagement and stronger welfare outcomes for communities closely connected to our operations.	

Business Responsibility & Sustainability Report (Contd.)

PRINCIPLE 9

Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanism in place to receive and respond to consumer complaints and feedback.

At our Company, we believe in maintaining an open line of communication with our valued customers. To this end, we provide customer feedback contact details on all our fertilizer packs. Our customers can reach us by phone or e-mail mentioned below:

- For Paradeep: 06722-229400/600, customercareppl@adventz.com
- For Goa: 0832-2592673, customercare@adventz.com
- For Mangalore: 0824-2220600, customercaremangala@adventz.com
- For Mahad: 7756975836, customercare@adventz.com

We have dedicated compliance officers at Paradeep, Goa, Mangalore, and Mahad plants to address complaints/ queries and customer feedback promptly.

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	100% of the Company's bags carry EPR Registration number
Safe and responsible usage	PPL's marketing teams conduct farmer-connect activities that include Soil Testing, Farmer Awareness Meetings, Crop Seminars, Product Demonstrations, Field Days, and IFCP campaigns to appraise them about the importance of soil health and balanced use of fertilizers as per the soil profile and requirement of each crop.
Recycling and/or safe disposal	All four units of PPL, Paradeep, Goa, Mangalore, and Mahad have engaged agencies, who have state pollution Board authorization for lifting plastic waste. They recycle plastic waste and produce granules and other plastic items. Additionally, during the farmer meetings, the farmers are appraised about safe disposal of fertilizer bags after use.

3. Number of consumer complaints in respect of the following:

	FY 2025-2026			FY 2024-2025		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security (Fake Interviews)	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Others	0	0	-	0	0	-

4. Details of instances or product recalls on account of safety issues:

Not applicable. We specialize in fertilizers designed to improve soil fertility. The product is inherently non-hazardous, and there are no safety concerns associated with their handling. Additionally, since fertilizers do not have an expiry date, product recalls are not necessary.

Business Responsibility & Sustainability Report (Contd.)

	Number	Reasons for recall
Voluntary recalls	Nil	NA
Forced recalls	Nil	NA

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, The Company ensures highest standards of data privacy and cybersecurity as detailed in its Information Security Management System (ISMS) policy. Our Information Management System is ISO 27001:2013 certified, providing a robust system of checks and balances to protect sensitive information. To raise any concern regarding I.T./cybersecurity, individuals can send an email to dpmohanty@adventz.com.

Additionally, we have a publicly available privacy policy that outlines how personal information is collected, processed, and protected. For more details, please refer to the Company's Privacy Policy:

<https://www.paradeepphosphates.com/privacy-policy>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essentials 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.

Regarding cybersecurity and customer data privacy, no such incidents or issues have been reported.

Leadership Indicators

1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).

Information on our products and services can be accessed through the Company's website at the following link: <https://www.paradeepphosphates.com/brands-and-products>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

During farmer meetings, we provide valuable information on soil health and the balanced use of fertilizers to help achieve better yields.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The Company recognizes fertilizers as essential commodities critical to agricultural productivity. To mitigate risks of service disruption, robust communication mechanisms have been established across the value chain.

The marketing teams and channel partners work diligently to ensure year-round availability of key fertilizers, particularly during critical Kharif and Rabi seasons. Continuous communication is maintained with trade channel partners through regular engagement and periodic meetings to share timely updates on product availability, supply chain developments, and service modifications.

To enhance direct farmer engagement, the Company is developing a digital Farmers Connect platform for real-time information dissemination to a broader audience. This is complemented by regular farmer awareness programs that communicate key business updates, best agricultural practices, and service-related information, ensuring all stakeholders remain informed and aligned to minimize disruption risks.

Business Responsibility & Sustainability Report (Contd.)

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. 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)

All the declarations on the Company's packaging are based on the Fertilizer Control Order and Legal Metrology guidelines.

5. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact

None

b. Percentage of data breaches involving personally identifiable information of customers

Zero (0%).

6. 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?

Recognizing the importance of structured feedback in enhancing consumer experience, we have planned to undertake a consumer satisfaction survey going forward across our key services and locations of operation. These surveys will help us assess consumer expectations more effectively and further strengthen its commitment to delivering high quality services.

Independent Assurance Statement



To the Directors and Management,
Paradeep Phosphates Limited,
3rd Floor, No. 28, Union Street,
Off-Cubbon Road, Bengaluru – 560001, Karnataka

Paradeep Phosphates Limited (hereinafter referred to as "PPL") engaged TUV India Private Limited ("TUVI") to conduct independent external assurance of the Non-Financial Information disclosed in its Business Responsibility and Sustainability Report (hereinafter 'the BRSR' or 'the Report'), prepared with reference to the SEBI BRSR framework and the requirements of BRSR Core disclosures. The scope of assurance covers the BRSR Core disclosures (the 09 attributes). PPL has prepared its BRSR for the period 01/04/2025 to 31/03/2026, which forms part of its Annual Report for FY 2025-26 and is also published as a standalone document. The BRSR contains the BRSR Core disclosures (the "09 attributes"), which constitute the subject matter of this assurance engagement (the "Sustainability Information"); PPL's responses to the nine BRSR principles (Essential and Leadership Indicators / non-Core BRSR disclosures) do not form part of the scope of this engagement. TUVI confirms that, prior to acceptance of the engagement, the preconditions for the assurance engagement were assessed in accordance with ISAE 3000 (Revised). TUVI determined that the subject matter is supported by suitable criteria (SEBI BRSR Core framework and GHG Protocol), management has acknowledged its responsibility for the preparation and presentation of the Sustainability Information and for providing access to relevant records, and that sufficient appropriate evidence was expected to be available to support the assurance conclusion. Accordingly, the engagement was accepted and performed in accordance with ISAE 3000 (Revised). The assurance process was conducted with reference to the following applicable frameworks and guidelines. The primary criteria for the BRSR Core reasonable assurance engagement is the SEBI BRSR Core framework (Annexure I KPIs, SEBI circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177 dated 20 December 2024). The secondary / supplementary criteria include the GHG Protocol, applicable to the greenhouse gas attribute:

- i. Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, requiring disclosure of the Business Responsibility and Sustainability Report (BRSR);
- ii. The Industry Standards on Reporting of BRSR Core, as per SEBI circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177, dated 20 December 2024;
- iii. SEBI circular SEBI/HO/CFD/CMD-2/P/CIR/2021/562, dated 10 May 2021;
- iv. The SEBI notification SEBI/LAD-NRO/GN/2023/131, dated 14 June 2023, related to BRSR reporting requirements;
- v. The BRSR Core – Framework for Assurance and ESG Disclosures for the Value Chain, as stipulated by SEBI circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122, dated 12 July 2023;
- vi. World Resources Institute (WRI) / World Business Council for Sustainable Development (WBCSD) Greenhouse Gas (GHG) Protocol (A Corporate Accounting and Reporting Standard).

The assurance engagement comprised a reasonable assurance engagement over the BRSR Core indicators / nine attributes as per Annexure I – Format of BRSR Core, following the requirements of International Standard on Assurance Engagements ISAE 3000 (Revised).

Management's Responsibility

PPL developed its sustainability information forming part of the Annual Report (based on the BRSR framework) and holds full responsibility for the collection, analysis, preparation, and disclosure of the information presented in the Annual Report, including its availability in both web-based and printed formats. This responsibility also extends to the maintenance and integrity of the website where the Annual Report is published. Management is responsible for ensuring the disclosed data is accurate, reliable, and free from material misstatements, for the BRSR Core requirements referenced in this statement. Additionally, PPL is responsible for the archiving and reproduction of the disclosed information and for ensuring that such data is made available to relevant stakeholders and regulatory authorities upon request. PPL is responsible for complying with applicable laws.

Scope and Boundary

The scope of this assurance engagement conducted by TUVI covered the verification of the BRSR Core disclosures (the 09 attributes) contained in the BRSR. The BRSR is prepared as mandated under Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which requires listed entities to include a BRSR as part of their Annual Report.

The assurance engagement included the following activities:

1. Review of the BRSR Core disclosures (09 attributes), together with the related contextual and management information necessary to verify these disclosures;
2. Review and evaluation of the nine attributes specified under Annexure I – Format of BRSR Core, as disclosed in the BRSR;
3. Assessment of the quality, clarity, and completeness of the reported information; and
4. Verification of supporting evidence on a sample basis to support reasonable assurance over the nine attributes as per the BRSR Core framework.

This approach ensured an assessment aligned with the principles of ISAE 3000 (Revised). Basis for Assurance Level Selection: Reasonable assurance was mandated by SEBI LODR Reg. 34(2)(f) and SEBI circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177 (20 December 2024) for the BRSR Core nine attributes, providing an independent and objective evaluation of the reliability and accuracy of PPL's BRSR Core disclosures.

TUVI has verified the below 09 attributes as per Annexure I - Format of BRSR Core disclosed in the BRSR with reference to the Industry Standards on Reporting of BRSR Core (SEBI circular dated 20 December 2024) as part of the applicable assurance criteria.

Attributes **	KPI
Greenhouse Gas (GHG) Footprint	Total Scope 1 emissions (with breakup by type) - GHG (CO ₂ e) Emission in MT - Direct emissions from organization's owned- or controlled sources – Monitored
	Total Scope 2 emissions in MT - Indirect emissions from the generation of energy that is purchased from a utility provider – renewable energy and grid electricity – Monitored
	GHG Emission Intensity (Scope 1+2), Total Scope 1 and Scope 2 emissions (MT) / Total Revenue from Operations adjusted for PPP – Calculated
Water footprint	Total water consumption (in kL) – Monitored and estimated
	Water consumption intensity - kL / Total Revenue from Operations adjusted for PPP – Calculated
	Water consumption intensity - kL / Total output of Product or Services in terms of kL/million USD – Calculated
Energy footprint	Water Discharge by destination and levels of Treatment (kL) – Calculated based on estimated values
	Total energy consumed in GJ – calculated on measured for owned premises and estimates for co-sharing offices
	% of energy consumed from renewable sources - In % terms - Monitored
Embracing circularity - details related to waste management by the entity	Energy intensity - energy consumed (GJ)/ Total Revenue from Operations
	Energy intensity -GJ/ Rupee adjusted for PPP – Calculated
	Plastic Waste (A) – Monitored, E-waste (B) – Monitored, Bio-medical waste (C) – Monitored, Construction and Demolition waste – (D) Monitored, Battery waste (E) – Monitored, Radioactive waste (F) – NA
	Other Hazardous waste (G) – see the list below
	Lead Scrap, Used Cloth, Grinding Ash, Empty Containers, Used Oil, Residue Containing Oil, Spent Solvent, Process Waste, ETP Sludge – Monitored
	Other Non-hazardous waste generated (H) – see the list below
	Organic waste: Corrugated Boxes and Pipes, Plastic Waste, Aluminum Scrap, Copper Scrap, MS Scrap, Cast Iron, Rotor Ring, Poly Bags, Paper, Garbage, Wood Scrap – Monitored;
	Total waste generated (A +B + C + D + E + F + G + H) in MT –Monitored;
	Waste intensity
	• MT /Revenue from Operations
	• MT /Revenue from Operations adjusted for PPP
	Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (MT) – Monitored
	Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (Intensity), kg of Waste Recycled Recovered /Total Waste generated - Calculated
	For each category of waste generated, total waste disposed by nature of disposal method (MT)- Monitored
	For each category of waste generated, total waste disposed by nature of disposal method (Intensity) kg of Waste Recycled Recovered /Total Waste generated - Calculated

Attributes **	KPI
Enhancing Employee Wellbeing and Safety	Spending on measures towards well-being of employees and workers – cost incurred as a % of total revenue of the Company - In % terms – Monitored and calculated Details of safety related incidents for employees and workers (including contract-workforce e.g. workers in the Company's construction sites) 1) Number of Permanent Disabilities – Monitored 2) Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) – Monitored 3) No. of fatalities – Monitored
Enabling Gender Diversity in Business	Gross wages paid to females as % of wages paid - In % terms – Calculated Complaints on POSH 1) Total Complaints on Sexual Harassment (POSH) reported – Monitored 2) Complaints on POSH as a % of female employees / workers – Monitored 3) Complaints on POSH upheld – Monitored
Enabling Inclusive Development	Input material sourced from following sources as % of total purchases – Directly sourced from MSMEs/ small producers and from within India - In % terms – As % of total purchases by value – Monitored Job creation in smaller towns – Wages paid to persons employed in smaller towns (permanent or non-permanent /on contract) as % of total wage cost - In % terms – As % of total wage cost – Monitored
Fairness in Engaging with Customers and Suppliers	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events - In % terms – Monitored Number of days of accounts payable - (Accounts payable *365) / Cost of goods/services procured - Calculated
Openness of business	Concentration of purchases & sales done with trading houses, dealers, and related parties 1) Purchases from trading houses as % of total purchases 2) Number of trading houses where purchases are made from 3) Purchases from top 10 trading houses as % of total purchases from trading houses Loans and advances & investments with related parties 1) Sales to dealers / distributors as % of total sales 2) Number of dealers / distributors to whom sales are made 3) Sales to top 10 dealers / distributors as % of total sales to dealers / distributors Share of RPTs (as respective %age) in- Purchases, Sales, Loans & advances, Investments - Calculated

Industry Standards Forum (ISF) Compliance Declaration: TUVI confirms that this assurance engagement has been conducted in compliance with the Industry Standards on Reporting of BRSR Core as specified in SEBI circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177 dated 20 December 2024. The nine BRSR Core attributes (Annexure I KPIs), scope of reasonable assurance, assurance methodology, and reporting format adopted in this engagement are fully aligned with the requirements of the said SEBI circular.

Boundary Reconciliation: The ESG reporting boundary is consistent with the operational control approach adopted by PPL for financial reporting purposes, covering all entities and sites over which PPL exercises operational control. No material differences were identified between the financial reporting boundary (as per the audited consolidated financial statements for FY 2025-26) and the ESG reporting boundary applied in the BRSR.

The reporting boundary includes 04 manufacturing plants (Goa Plant, Zuarinagar, Goa – 403726; Mangalore Plant; Mahad Plant; and Paradeep Plant, Paradeep, Jagatsinghpur, Odisha – 754145) and 01 Corporate Office (Bengaluru – 560001, Karnataka). PPL has reported 04 manufacturing plants and 01 Corporate Office in India. Relative to the prior-year assurance engagement, the reporting boundary has been expanded to include the Mangalore and Mahad plants.

The assessment was carried out in accordance with the following audit schedule:

Sr. No.	Site Location	Assessment Date	Audit Mode
1	Goa Plant, Zuarinagar	06-07-2026	Remote
2	Corporate Office, Bengaluru	07-07-2026	Remote
3	Mangalore Plant	08-07-2026	Remote
4	Mahad Plant	09-07-2026	Remote
5	Paradeep Plant, Odisha	10-07-2026	Remote
6	Mangalore Plant	13 & 14 July 2026	Onsite

The assurance activities were carried out together with a desk review of all remaining sites within the reporting boundary.

Limitations

TUV India Pvt. Ltd. (TUVI) did not perform assurance procedures on forward-looking or prospective information disclosed in the Annual Report or the BRSR, including targets, expectations, ambitions, ESG goals, or claims, and therefore expresses no conclusion on such information. Actual results may differ materially from those projected, and TUVI assumes no responsibility for any reliance placed on such statements. No limitations were encountered in relation to the agreed scope of the assurance engagement. TUVI has relied on financial figures from the audited financial statements of PPL, and PPL remains solely responsible for the appropriate application, authenticity, completeness, and accuracy of such data. The assurance procedures are subject to inherent limitations, including the use of estimates, assumptions, sampling, and reliance on internal controls and data systems maintained by PPL; accordingly, material misstatements or omissions may not be detected, particularly where disclosures involve estimation uncertainty or management judgment. TUVI disclaims liability for any decisions or consequences arising from this assurance statement or inaccurate data provided by PPL, and any reliance placed by third parties on disclosed KPIs is at their own risk. For the purposes of this engagement, a material misstatement is defined as a misstatement, individually or in aggregate, that could reasonably be expected to influence the economic decisions of users made on the basis of the sustainability information. TUVI applied a KPI-specific materiality approach comprising two tiers: (i) a 5% quantitative materiality threshold relative to the applicable KPI base value (e.g., total emissions, total energy, total water consumption) was applied to volume-based and aggregated KPIs, supplemented by qualitative considerations including the nature and context of the disclosure and the risk of error; and (ii) a qualitative zero-tolerance threshold was applied to high-risk ESG indicators — specifically fatalities, permanent disabilities, POSH complaints upheld, instances of regulatory non-compliance or material breaches of applicable law, and customer data breaches — where any single occurrence, misstatement, or omission is treated as material irrespective of its magnitude. For these high-risk indicators, qualitative judgment overrides the 5% quantitative threshold. This KPI-specific materiality framework ensures that qualitative issues of significant stakeholder or regulatory concern are not understated by the application of a uniform quantitative threshold. The 5% quantitative threshold was established in accordance with TUVI's internal ESG Materiality Protocol (Rev. 02), which documents the basis and approval of the thresholds applied, having regard to (i) established practice for non-financial assurance engagements in the ESG sector; (ii) the inherent-risk assessment of each KPI category, with higher-risk KPIs such as GHG emissions and water subjected to more intensive testing; and (iii) the relative contribution of each site to the total reported value, sites contributing more than 5% of a reported total being prioritised for on-site verification. The application of this assurance statement is limited with respect to SEBI circular **SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122, dated Jul 12, 2023 and Industry Standards on Reporting of BRSR Core, circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177, dated 20/12/2024**). This assurance statement does not endorse any environmental and social claims (related to the product, manufacturing process, packaging, disposal of product etc.) as well as advertisements by PPL. TUVI does not permit use of this statement for Greenwashing or misleading claims. PPL is responsible for ensuring adherence to relevant laws. This assurance statement should be read in its entirety to avoid misinterpretation and does not cover value chain disclosures unless specifically included within the defined assurance scope.

Our Responsibility

TUVI's responsibility in relation to this engagement is to perform a reasonable level of assurance over the BRSR Core attributes and to express a conclusion based on the work performed. Our engagement did not include an assessment of the adequacy or the effectiveness of PPL's strategy, management of ESG-related issues or the sufficiency of the BRSR against BRSR reporting principles, other than those mentioned in the scope of the assurance. TUVI's responsibility regarding this verification is with reference to the agreed scope of work, which includes assurance of the non-financial quantitative and qualitative information disclosed by PPL. PPL is responsible for archiving the related data for a reasonable time period. The primary intended user of this assurance statement is PPL (Board, shareholders, and regulators); however, the client may use it at their own discretion in accordance with their specific requirements. This assurance engagement is based on the assumption that the data and information provided to TUVI by PPL are complete and true.

Assurance Methodology

During the assurance engagement, TUVI adopted a risk-based approach, focusing verification efforts on disclosures and issues of high material relevance to PPL and its stakeholders. The objective was to assess the reliability and accuracy of the non-financial information disclosed, with emphasis on the robustness of data management systems, internal controls, and information flows.

TUVI's assurance activities included:

1. Document and Data Review
 - i. Examination of documents, datasets and supporting evidence provided by PPL in respect of the nine attributes listed in Annexure I – Format of BRSR Core (non-financial disclosures).
 - ii. Evaluation of disclosures related to Management Approach and performance indicators.
2. Stakeholder Interviews
 - i. Conducted interviews with key representatives, including data owners, process managers, and decision-makers across various departments.
 - ii. Reviewed PPL's approach to stakeholder engagement and materiality determination to validate qualitative statements included in the Annual Report.
 - iii. Interviews were conducted through both onsite visits and remote assessments, as applicable.
3. Process and System Assessment
 - i. Review of systems and processes for:
 - a) Implementing ESG and sustainability-related policies, as described in the BRSR; and
 - b) Collecting, managing, and reporting both quantitative data and qualitative information for the reporting period.
 - ii. Assessment of data management systems and internal processes supporting the preparation of ESG disclosures, including review of data flows, aggregation procedures, and supporting records, to understand the context in which reported data was prepared. This review was undertaken as part of the substantive verification procedures and does not constitute an assessment of, or opinion on, the design adequacy or operating effectiveness of IT general controls or ESG application controls.

4. Substantive and Control Testing

TUVI performed walkthrough procedures to understand ESG data flows and processes, and substantive testing including document verification, recalculation, analytical review, and data traceability checks for selected KPIs and disclosures. The substantive procedures performed provided sufficient appropriate evidence in accordance with ISAE 3000 (Revised). Examples of KPI-category procedures applied: (a) GHG Emissions – recalculation of Scope 1 and Scope 2 emissions from primary fuel and energy consumption data (natural gas, furnace oil and high-speed diesel) using IPCC/GHG Protocol emission factors; reconciliation of Scope 1 process and fugitive emission records; (b) Energy – cross-verification of meter readings against utility bills for the manufacturing plants; validation of renewable energy consumption; (c) Water – review of water intake records at plant level, with traceability to supply invoices and ground water extraction permits; (d) Safety – verification of Lost Time Injury Frequency Rate (LTIFR) calculations against plant-level incident registers and HR records; (e) Waste – reconciliation of hazardous and non-hazardous waste disposal records against Pollution Control Board returns and third-party disposal manifests.

5. Sampling methodology

- i. TUVI applied a risk-based sampling methodology to select representative samples of ESG disclosures, considering materiality thresholds, risk of misstatement, data complexity, estimation uncertainty, nature and scale of operations, geographical spread of facilities, and site contribution to ESG impacts. Sample selection prioritised locations with significant operational impact and KPIs with higher inherent risk, being those relevant to the BRSR Core indicators / nine attributes. Sample sizes were not fixed but were determined for each KPI and site on the basis of the assessed risk, materiality, and complexity of the underlying data-generation systems, with larger samples and full recalculation applied to higher-risk and more complex disclosures. For the volume-based environmental KPIs (GHG emissions, energy, water and waste), substantive recalculation and traceability testing were performed on samples corresponding to approximately 80–100% of the reported annual quantum at each site, with the residual balance covered through analytical review; for the transaction-based social and safety KPIs (employee, safety, POSH and wage records), a minimum sample of the

higher of 10% of records or 15 records per site was tested, increased for sites or indicators assessed as higher risk. The adequacy of each sample was evaluated against the planned coverage for the KPI's risk tier, the consistency of the sampled records with source documentation, corroboration through analytical review of the residual population, and the satisfactory resolution of any exceptions within the applicable materiality thresholds.

- ii. **Site Verification Coverage:** TUVI conducted onsite verification at 01 of the 04 manufacturing plants (Mangalore Plant) on 13 & 14 July 2026, complemented by a complete desk review of BRSR Core data across all four manufacturing plants (Goa, Mangalore, Mahad and Paradeep) and the Corporate Office. The quantitative coverage basis for the BRSR Core KPIs, combining onsite verification and complete desk review, is as follows: Scope 1 and Scope 2 GHG emissions – all sites covered; total energy consumption – all sites covered; total water consumption – all sites covered; total waste generated – all sites covered; workforce and HR KPIs (safety, POSH, wages, wellbeing spend) – 100%, verified through the Corporate Office (Bengaluru) and plant-level HR records. The combined onsite verification and complete desk review of BRSR Core data across all four plants ensures 100% coverage of the key environmental and safety KPIs. Accordingly, the verification coverage provides a fully evidenced and representative basis for the reasonable assurance conclusion on BRSR Core attributes.
- iii. **Estimation-based disclosures:** Where certain disclosures are derived using estimation methodologies, the associated estimation uncertainty has been acknowledged and factored into the assurance conclusion. The KPI-specific materiality thresholds applied to the sampled data are as described under 'Limitations' above.

6. Reporting Framework Adherence

- i. Verified adherence to reporting requirements under:
 - a) SEBI's BRSR guidelines.

Opportunities for Improvement

The following are the opportunities for improvement reported to PPL. These align well with PPL management's existing objectives and programs. PPL has already identified these focus areas, and the assurance team endorses their continued implementation to advance the organization's sustainability goals:

- i. PPL can further enhance reporting of its environmental performance by establishing an automated emissions accounting system for real-time tracking of monitoring parameters across its operations.
- ii. PPL has established a strong base through its existing sustainable procurement policies and practices. PPL may further strengthen this framework by progressively aligning it with the principles of ISO 20400.

PPL is encouraged to establish measurable targets and track progress annually in its Annual Report.

Conflict of Interest

In the context of BRSR requirements set by SEBI, addressing conflict of interest is crucial to maintain high integrity and independence of assurance engagements. As per SEBI guidelines, assurance providers need to disclose any potential conflict of interest that could compromise the independence or neutrality of their assessments. TUVI diligently identifies any relationships, affiliations, or financial interests that could potentially cause conflict of interest. We proactively implement measures to mitigate or manage these conflicts, ensuring independence and impartiality in our assurance engagements. We provide clear and transparent disclosures about any identified conflicts of interest in our assurance statement. We recognize that failure to address conflict of interest adequately could undermine the credibility of the assurance process and the reliability of the reported information. Therefore, we strictly adhere to SEBI guidelines and take necessary measures to avoid, disclose, or mitigate conflicts of interest effectively.

Our Conclusion

Engagement Type: Independent reasonable assurance engagement over the BRSR Core indicators / nine attributes as per Annexure I. The engagement was conducted in accordance with ISAE 3000 (Revised). Applicable Criteria: Primary criteria – SEBI BRSR Core framework and Annexure I KPIs (SEBI circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177 dated 20 December 2024). Secondary criteria – GHG Protocol (WRI/WBCSD), applicable to the greenhouse gas attribute. The practitioner applied professional judgment and maintained professional scepticism throughout the engagement, consistent with the requirements of ISAE 3000 (Revised). The assurance opinion on the effectiveness of internal controls is expressed for the BRSR Core disclosures (09 attributes) under reasonable assurance.

Disclosures: TUVI is of the opinion that the reported BRSR Core disclosures meet, in all material respects, the BRSR Core requirements. The 09 attributes as per Annexure I – Format of BRSR Core have been verified within the defined scope of this engagement.

Reasonable Assurance Conclusion: Based on the procedures performed and evidence obtained, in our opinion, the BRSR Core Key Performance Indicators (KPIs) presented in Paradeep Phosphates Limited's Annual Report for the period 01/04/2025 to 31/03/2026 have been prepared, in all material respects, in accordance with the applicable BRSR Core criteria, including the requirements of the SEBI BRSR Core framework and Annexure I KPIs, and fairly represent the nine attributes within the defined scope without material misstatement. A detailed desk review and comprehensive verification of the reported data were conducted for the relevant parameters across all four manufacturing plants and the Corporate Office within the reporting boundary, in line with the requirements of a reasonable assurance engagement.

BRSR complies with the below requirements

- a) **Governance, leadership and oversight:** The messages of top management, the business model to promote inclusive growth and equitable development, action and strategies, focus on services, risk management, protection and restoration of environment, and priorities are disclosed appropriately.
- b) **Connectivity of information:** PPL discloses the 09 attributes as per Annexure I – Format of BRSR Core and their inter-relatedness and dependencies with factors that affect the organization's ability to create value over time.
- c) **Stakeholder responsiveness:** The Annual Report covers mechanisms of communication with key stakeholders to identify major concerns to derive and prioritize the short, medium and long-term strategies. The Annual Report provides insights into the organization's relationships (nature and quality) with its key stakeholders. In addition, the Annual Report provides a fair representation of the extent to which the organization understands, takes into account and responds to the legitimate needs and interests of key stakeholders.
- d) **Materiality:** The materiality assessment process has been carried out based on the requirements of the BRSR, considering topics that are internal and external to PPL's range of businesses. Material issues within the 9 attributes and corresponding KPIs as per BRSR requirements are adequately identified and reported. In our view, the BRSR meets the requirements.
- e) **Conciseness:** The Report reproduces the requisite information and communicates clear information in as few words as possible. The disclosures are expressed briefly and to the point; sentences, graphs, and pictorial and tabular representations are used. At the same time, due care is taken to maintain continuity of information flow in the BRSR.
- f) **Reliability and completeness:** PPL has established internal data aggregation and evaluation systems to derive the performance. PPL confirms that all data provided to TUVI has been passed through the QA/QC function. The majority of the data and information was verified by TUVI's assurance team (on a sample basis) during the BRSR verification and found to be fairly accurate. All data is reported transparently, in a neutral tone, and without material error.
- g) **Consistency and comparability:** The information presented in the BRSR is on an annual basis and was found to be presented in a reliable and complete manner. Thus, the principle of consistency and comparability is established. Year-on-Year Comparability: TUVI reviewed the reported FY 2025-26 data in the context of prior year (FY 2024-25) disclosures for the key BRSR Core KPIs (GHG emissions, energy consumption, water consumption, and safety indicators). No material inconsistencies in methodology, boundary, or reporting approach were identified that would impair comparability between the two reporting periods. FY 2025-26 represents the first year in which the BRSR Core attributes have been subject to reasonable assurance.

Independence and Code of Conduct: TUVI follows IESBA (International Ethics Standards Board for Accountants) Code which, adopts a threats and safeguards approach to independence. We recognize the importance of maintaining independence in our engagements and actively manage threats such as self-interest, self-review, advocacy, and familiarity. The assessment team was safeguarded from any type of intimidation. By adhering to these principles, we uphold the trust and confidence of our clients and stakeholders. In line with the requirements of the SEBI circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122, dated 12/07/2023 and Industry Standards on Reporting of BRSR Core, circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177, dated 20/12/2024.

Quality control: The assurance team complies with quality control standards, ensuring that the engagement partner possesses requisite expertise and the assigned team collectively has the necessary competence to perform engagements in accordance with standards and regulations. Assurance team follows the fundamental principles of integrity, objectivity, professional competence, due care, confidentiality and professional behavior. In accordance with International Standard on Quality Management (ISQM 1), TUVI maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Assurance Team and Independence

TUV India Pvt. Ltd. (TUVI) is an independent and neutral third-party assurance provider with qualified environmental and social specialists and confirms its independence, impartiality, and objectivity in accordance with ISAE 3000 (Revised) through internal conflict-of-interest checks, adherence to a documented code of ethics, separation of assurance and advisory functions, reviewer oversight, and quality control procedures. TUVI confirms that no non-assurance services were provided to PPL that could create self-

review, advocacy, familiarity, self-interest, or other independence threats, including preparation of BRSR disclosures, ESG strategy development, target setting, ESG data system design, GHG inventory calculations, internal ESG audits, materiality assessments, or KPI improvement advisory services. TUVI further confirms that no engagements during the reporting year compromised its independence, and it was not involved in preparing report content or underlying data, except for this assurance statement, thereby ensuring an objective, unbiased, and transparent assurance process. Rotation and Tenure Policy: In line with best practice and the ISF Guidelines for independence, TUVI maintains a documented engagement partner rotation policy. The lead assurance practitioner for this engagement has not exceeded the maximum tenure threshold prescribed under TUVI's internal quality and independence framework. TUVI's independence and quality control procedures are reviewed periodically by the internal technical review function. The assurance team comprised qualified professionals with multidisciplinary competencies, including: (i) GHG accounting and emissions verification; (ii) ESG and sustainability reporting frameworks; (iii) social compliance and human rights due diligence; and (iv) non-financial assurance methodology in accordance with ISAE 3000 (Revised). This cross-disciplinary composition ensured that the assurance conclusions are supported by adequate technical expertise.

For and on behalf of TUV India Private Limited

Date: 31/07/2026

Manojkumar Borekar

Product Head – Sustainability Assurance Service
TUV India Private Limited



Place: Mumbai, India

Project Reference No: 8125124201

Revision: 00

Directors' Report

To the Members,

Your Directors have pleasure in presenting the Forty Fourth Annual Report of Paradeep Phosphates Limited ("Company") together with the Audited Financial Statements for the financial year ended March 31, 2026.

1. FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2025-26	2024-25	2025-26	2024-25
Revenue from operations	21,82,634.02	16,95,864.76	21,82,634.02	16,95,864.76
EBITDA	2,25,942.78	1,69,906.21	2,25,893.97	1,69,834.42
Finance Costs	52,778.24	44,317.74	52,778.24	44,317.74
Depreciation	40,319.66	34,429.00	40,319.66	34,429.00
Profit before tax	1,32,844.88	91,159.47	1,32,796.07	91,087.68
Tax expense	33,160.48	24,873.87	33,160.48	24,873.87
Profit after tax	99,684.40	66,285.60	99,635.59	66,213.81
Other Comprehensive Income/(Loss)	360.38	(532.38)	445.44	(451.18)
Total Comprehensive Income	1,00,044.78	65,753.22	1,00,081.03	65,762.63
Earnings Per Share (Basic & Diluted) ₹	9.61	6.39	9.60	6.39
Net Worth	6,78,265.83	5,87,533.60	6,78,270.50	5,87,502.03

2. CHANGE IN THE NATURE OF BUSINESS OF THE COMPANY

There was no change in the nature of business of the Company during the year.

The Members of the Company have approved the alteration of Object Clause-III A of Memorandum of Association, by way of Special Resolution passed on February 02, 2026.

The newly inserted clause is enabling and ancillary in nature, primarily to facilitate power generation (including through waste heat recovery systems) and sale of the same, (which is a byproduct and best utilization of the energy getting wasted), in connection with and in support of the existing fertilizer manufacturing operations.

3. REVIEW OF OPERATIONS

During the financial year, on a standalone basis, the Company recorded operating revenue of ₹ 21,82,634.02 lakhs as compared to ₹ 16,95,864.76 lakhs for the previous financial year.

The Profit Before Tax for the year ended March 31, 2026 was ₹ 1,32,844.88 lakhs as compared to ₹ 91,159.47 lakhs for the year ended March 31, 2025. Net Profit was ₹ 99,684.40 lakhs for the year ended March 31, 2026 compared to earlier year's ₹ 66,285.60 lakhs. Total Comprehensive Income stood at ₹ 1,00,044.78 Lakhs for the year ended March 31, 2026 compared to ₹ 65,753.22 Lakhs for the previous year.

4. SCHEME OF AMALGAMATION

The Composite Scheme of Arrangement amongst the Mangalore Chemicals & Fertilizers Limited (MCFL), Company and their respective shareholders and creditors ("Scheme of Arrangement" or "Scheme") Proposing the Merger of MCFL with Company was approved by the Hon'ble National Company Law Tribunal, Bengaluru Bench vide its Order dated September 24, 2025 and the Hon'ble National Company Law Tribunal, Cuttack Bench vide its Order dated September 26, 2025. Consequently, MCFL merged with the Company with effect from October 16, 2025 and dissolved without any further action.

Pursuant to the said orders and in accordance with the Scheme of Arrangement, the Company on December 03, 2025, issued and allotted 22,16,23,331 equity shares to those eligible shareholders of the MCFL, whose names appeared in the Register of Members/ Beneficial Owners as on the Record Date (i.e., October 31, 2025).

The said equity shares of the Company were listed and admitted to dealings on the National Stock Exchange of India Limited and BSE Limited from December 31, 2025.

The details of the scheme and other relevant information are available on the website of the Company and the stock exchanges where the shares of the Company are listed

5. Capital Projects

At Paradeep Plant:

- For upstream integration and to meet the increased demand for low-pressure steam, power and sulfuric acid, a new 1,500 TPD Sulfuric Acid Plant was

Directors' Report (Contd.)

successfully commissioned on 22nd September 2025. Installation of an integrated 23 MW power plant is currently under development. Following the successful installation, the total sulfuric acid production capacity has increased to 5,500 MTPD.

- As part of the upstream expansion, a new 350 TPD evaporator was successfully commissioned in December 2025, increasing the Strong Phosphoric Acid (SPA) production capacity from 850 MTPD to 1,200 MTPD.
- As part of the Company's commitment to surface water runoff management, a 100,000 m³ collection pond has been successfully constructed to prevent initial contamination from surface runoff.
- To reinforce soil and environmental safety, the Gypsum Pond-1 perimeter ditch lining—initiated in November 2024 has been successfully completed in March 2026.
- In alignment with future energy requirements, the Main Receiving Substation (MRSS) expansion has been successfully completed to accommodate the additional 23 MW load from the new SA plant in September 2025.
- Paradeep Site become Net Power Export during the month of February 26. Power is being exported based on Fertilizer grades produced.
- Infrastructure is also being improved with the development of dedicated track and platform facilities for loading Gypsum and Zypmite, which currently operate without specialized loading infrastructure.

At Goa Plant:

- The Company has made significant progress in enhancing energy efficiency through its Energy Savings Scheme, being implemented in three phases.
- Phase 1 has been successfully completed and involved retrofitting the Ammonia Converter with a three-bed configuration and installation of Casale's Amomax catalyst. These initiatives have reduced urea energy consumption to 6.5 GCal/MT.
- Phase 2 is in the final stage of commissioning and includes the retrofit of the Synthesis Gas Compressor Train and Air Compressor Turbine. The rotary equipment has been supplied by M/s Siemens, while the ASV cooler has been designed and fabricated by M/s ISGEC. Detailed engineering has been carried out by M/s Worley. Upon completion, urea energy consumption is expected to reduce further to 6.1 GCal/MT.

- In addition, a new Medium Pressure Stripper section has been installed in the Ammonia Plant to reduce effluent generation and produce DM-quality water; the system is currently under commissioning.
- Phase 3, scheduled for completion in the first half of FY 2028–29, will involve installation of a Gas Turbine and a Heat Recovery Steam Generator (HRSG). Conceptual sizing has been completed, with M/s Fichtner appointed as the engineering consultant. Invitations to Bid (ITB) have been issued to M/s Thermax, M/s ISGEC and M/s Thyssenkrupp and technical evaluations are in progress. Upon completion, urea energy consumption is expected to further reduce to 5.7 GCal/MT.
- Several environmental improvement projects have also been commissioned. A 1000 KLD Effluent Treatment Plant (ETP) with RO unit, executed by M/s Thermax Ltd., has been successfully commissioned. A mechanized filler handling system has been introduced to minimize handling losses and spillage. Additionally, new catchment pits have been constructed to prevent any carryover into the sea during the monsoon.
- In terms of reliability enhancement, the Company has undertaken key initiatives, including: (a) replacement of Utility Boiler A & C superheaters with upgraded materials by M/s Thermax Ltd.; and (b) replacement of the Ammonia Granulator in the NPK-A Plant.
- As part of operational sustainability, a new 3,000 MT Phosphoric Acid storage tank has been constructed and commissioned to enhance storage capacity and improve import flexibility. Further, an existing HFO tank has been modified to store 2,500 MT of Sulphuric Acid, enabling better import handling and cost optimization.
- Additionally, the Company is planning the development of a new township to provide modern and improved residential facilities for employees, reinforcing its commitment to employee welfare and infrastructure development.

At Mangalore Plant:

- The Sulphuric Acid expansion project was commissioned successfully in the month of March 2026. The plant achieved full capacity in April 2026 and expected to produce its rated capacity. The manufactured sulphuric acid shall be used for captive consumption in the production of NP 20:20:00:13 and other products, substituting import / purchase of the acid significantly. Surplus steam from the sulphuric acid plant shall be utilized in Urea production.

Directors' Report (Contd.)

- A Floating solar photovoltaic plant is under installation on the surface of the two water reservoirs covering an area of 17,340 m² in Mangalore plant on Build Own Operate & Transfer basis with a power purchase agreement period of 25 years. The plant will generate about 3.64 million units of solar energy annually.
- A long-term power purchase agreement has been signed with a Group Captive Renewable Power plant developer to set up Wind-Solar based hybrid Group Captive Power plant in northern part of Karnataka. About 14.12 million units of renewable power shall be purchased through this agreement annually.
- Following energy saving schemes were implemented in the financial year as continued effort to reduce specific energy consumption of products:
 1. Installation of motor driven boiler feed water pump to replace turbine driven pump, saving steam in Ammonia plant.
 2. Waste heat recovery unit to fired heaters to recovery heat from flue gas to heat.
 3. Suction chilling of CO₂ Compressor in Urea plant.

6. TRANSFER TO RESERVES

Board of Directors has not proposed to carry any amount to any reserve account during the year.

7. DIVIDEND

Your Board of Directors have recommended dividend of ₹ 1.50 per equity share of face value of ₹ 10 for the Financial Year 2025-2026. The dividend distribution policy is available on the website of the Company i.e., <https://www.paradeepphosphates.com/uploads/content/dividend-distribution-policy-20-08-2022.pdf>

8. SHARE CAPITAL

Authorised Capital

The authorized share capital of the Company as on March 31, 2026 was ₹ 1130,00,00,000 (Rupees one thousand and one hundred thirty crore) divided into ₹ 1050,00,00,000 (Rupees one thousand and fifty crore) consisting of 105,00,00,000 (one hundred and fifty crore) equity shares of face value of ₹ 10 each and ₹ 80,00,00,000 (Rupees eighty crore) consisting of 80,00,000 (eighty lakhs) 7% non-cumulative redeemable preference shares of face value of ₹ 100 each.

9. HEALTH, SAFETY AND ENVIRONMENT

The Company continues to uphold its strong commitment to the highest standards of Health, Safety

and Environmental (HSE) management across all its operations. Stringent systems, internationally recognized certifications, proactive community engagement and continuous improvement initiatives form the backbone of our HSE approach.

Paradeep Plant

The Paradeep Plant maintained its strong commitment to safety, health and environmental stewardship throughout FY 2025-26, with a focus on proactive risk management, regulatory compliance, stakeholder engagement and community safety. The plant operates under a robust Integrated Management System certified for ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISO 50001 (Energy Management) and 5S workplace methodology. The Company also holds premium memberships and certifications such as the NABL ISO-IEC17025, Responsible Care (ICC), British Safety Council (UK) and IFA Protect & Sustain.

Key HSE initiatives and achievements in FY 2025-26 include:

- The Plant actively observed National Road Safety Month, National Safety Week, World Environment Day, National Fire Service Day and Chemical Disaster Prevention Day through a wide range of awareness and training programs.
- To extend safety awareness beyond the workplace, community outreach programs were conducted in Fatepur and Bagadia villages of Kujanga Block to educate residents on industrial hazards and emergency response measures. These initiatives aimed to enhance preparedness and safety awareness among the local communities in the surrounding areas.
- To strengthen emergency preparedness and response capabilities, multiple on-site and off-site mock drills were conducted during the year. An on-site emergency drill simulating a boiler explosion scenario was carried out at the SAP-C Waste Heat Boiler in November in the presence of regulatory authorities, mutual aid partners and local stakeholders. Additionally, an off-site emergency mock drill simulating an ammonia leak was conducted along the highway in December, involving district administration officials, regulatory authorities and local village representatives. The Company also actively participated in Civil Defense mock drills for air strike preparedness at Paradeep in coordination with the District Administration.
- As a responsible organization, the Company remains committed to environmental protection and sustainability. It has successfully maintained Zero Liquid Discharge (ZLD) at its plant by implementing online analyzers, PTZ cameras and 24x7 connectivity with the Pollution Control Board. To further prevent

Directors' Report (Contd.)

contamination, colour-coded pipelines are installed to segregate effluents from stormwater.

- To ensure clean air in and around the plant, Continuous Ambient Air Quality Monitoring Stations have been installed at the plant boundary and township. An automatic road sweeping machine has been deployed to enhance cleanliness and reduce dust emissions within the premises.
- A complete ban on Single Use Plastic (SUP) has been enforced across the plant and township. An Organic Waste Converter (OWC) processes food waste into manure for in-house gardening use.
- During FY 2025–26, the Company spent ₹8.68 crore towards recurring expenditure for implementation of the stipulated environmental conditions.
- To support future expansion, approvals have also been obtained for utilizing Phospho-Gypsum for road construction and land development, enabling large-scale waste reuse in infrastructure projects.
- As part of its afforestation drive, the Company has launched an initiative to plant 1 lakh trees and continues to maintain over 40% greenery within its premises. In line with its commitment to a sustainable India, the Company also undertook a green initiative under 'Ek Ped Maa Ke Naam 2.0', planting 21,000 trees during the year. As a result of these sustained ecological efforts, approximately 42,000 + birds representing 50 species have been recorded within the plant area, underscoring the Company's role in fostering a healthy local ecosystem.

Goa Plant

The Goa plant continues to demonstrate its commitment to environmental and occupational safety excellence by maintaining ISO 14001:2015 and ISO 45001:2018 certifications, revalidated by TUV Nord. Its 'Environment, Health & Safety' (EHS) Policy is aligned with these global standards.

Key HSE initiatives and achievements in FY 2025–26 include:

- On the health front-PPL-GU OHC received appreciation certificate from Directorate of Health Services Goa Government for continual creation of awareness in TB elimination at workplace. We are also one of the first industry to receive permanent registration under Clinical Establishment Act (CEA), Government of Goa. Dr. Ajit Vaidya received excellence award for the contribution in the field of Occupational Health by Green Triangle Society & Indian Association of Occupational Health, Goa. The proposed Decontamination facility for management of chemical emergencies at OHC has been made functional. We also took a new initiative in training over 500 employees/workers in Compression only Lifesaving (COLS).
- Based on the recommendations of the comprehensive study on solid and wastewater management carried out by CSIR-NEERI, a series of targeted measures have been implemented to strengthen storm water and process water management across the facility. Segregation between Storm Water Drains (SWDs) and Process Water Drains (PWDs) has been established through clear physical separation. The process water drainage network has been modified and augmented to improve flow efficiency and prevent cross-contamination. Re-concreting works in the NPK-A process plant areas have been completed to enhance drainage integrity and minimize seepage risks. Roof-top rainwater from relatively less contaminated areas is being directly diverted outside the premises through closed conduit systems to reduce hydraulic load on the drainage system. Covered sheds have been provided over NPK wet sections to prevent ingress of rainwater and limit contamination. Additionally, as part of the study recommendations, a catchment pit is under near completion, designed to capture the initial surface runoff carrying higher contaminant loads during the first two days of rainfall, with a storage capacity of approximately 2000 m³ ensuring effective management of contaminated storm water during monsoon conditions.
- Under the Continuous Emission Monitoring System (CEMS) initiative, significant upgrades have been implemented to enhance monitoring accuracy and regulatory compliance. New Particulate Matter (PM) analysers of OPSIS make have been installed as part of the Continuous Ambient Air Quality Monitoring (CAAQM) system, improving the precision and reliability of ambient air quality data. In addition, new ammonia analysers were commissioned in January 2026 on the NPK-A fumes stack and the DAP stack, enabling continuous monitoring of ammonia emissions and strengthening emission control and compliance assurance.
- Vertical lifelines with fall arresters were installed on the cat ladders of Ammonia Reformer Stack, Boiler Stack, and DG Stack through Karam Safety, enhancing safety measures for working at height.
- On the occasion of Van Mahotsav, celebrated on 14th August 2025, a total of 30 saplings were planted within the plant premises to promote greenery and environmental sustainability.
- The Company conducted half-yearly mock fire and ammonia leak drills with cross-functional teams to evaluate response effectiveness, bridge gaps and strengthen incident preparedness. Additionally, quarterly drills at the Ammonia Terminal sharpened the coordination and competency of our emergency response teams.

Directors' Report (Contd.)

- The Company delivered approximately 14,000 man-hours of comprehensive training through classroom sessions, practical shop-floor exercises and external programs to strengthen the safety culture. These initiatives significantly boosted hazard awareness, technical competency and safe work practices across the workforce. Complementing this, top management leads monthly mass safety gatherings on the first working day of each month to reinforce leadership commitment, facilitate open communication and ensure continuous engagement with every employee and worker.

Mangalore Plant

The Mangalore Plant continues to uphold its strong commitment to safety, health, environment and energy management through the effective implementation of its Integrated Management System, aligned with internationally recognized standards—ISO 14001:2015, ISO 45001:2018 and ISO 50001:2018—validated and certified by DNV. The Plant remains dedicated to sustaining these standards while continuously improving its processes to ensure a safe, environmentally responsible and energy-efficient manufacturing unit. In line with this commitment, an Integrated Management System Policy has been established and is actively followed across operations.

Key HSE initiatives and achievements in FY 2025–26 include:

- Various safety promotional initiatives were undertaken to strengthen awareness and reinforce a culture of safety across the organization. These included the observance of Fire Service Week and Chemical Disaster Prevention Week and celebration of National Safety Day, each marked by a series of training programmes, awareness sessions and employee engagement activities. These initiatives underscore the Company's continued efforts to foster a strong safety culture and encourage proactive participation across all levels.
- Emergency preparedness was further strengthened through multiple mock drills, including two on-site emergency exercises and two plant-level drills. The Mangalore Plant's fire team also actively participated in external emergency preparedness exercises, including on-site mock drills at neighbouring industries as well as the off-site emergency mock drill conducted by the district administration. The fire team has also extended support during several external fire incidents in neighbouring industries, including an ammonia leak at a neighbouring factory, demonstrating the team's readiness and the Company's commitment to community safety.
- Safety of contractor personnel working on fragile roofs was enhanced through the installation of fixed horizontal anchorage lifelines on such buildings, providing effective fall protection. Emergency communication facility was strengthened by installing fixed radios in plant control rooms and the fire & safety department, along with mobile radios in emergency vehicles such as fire tenders and the ambulance. An E-Work permit system was implemented in the factory using customized software. Fire safety infrastructure was upgraded with the revamp of fire hydrant pump house-2 at utilities, replacing two motor-driven and one engine-driven pumps (each 273 m³/hr at 88m head) and a jockey pump. Fire hydrant system for the new 300 TPD Sulphuric Acid Plant was commissioned. Three fully encapsulated chemical protective suits were procured to enhance safety of emergency responders during ammonia leak emergencies.
- A comprehensive third party safety audit of the entire complex was carried out by a multi-disciplinary team of experts. Periodic audits of the Safety, Health & Environment Management System were also carried out by M/s. DNV. Further, the factory was certified under the International Fertilizer Association's global product stewardship standard, "IFA Protect & Sustain," by M/s. SGS, achieving the distinguished level of Product Steward Excellence.
- The Mangalore Plant has received notable recognition for its safety performance. The unit was awarded the prestigious "Athyunnatha Suraksha Puraskara" in September 2025 by the National Safety Council, Karnataka Chapter, securing the rolling trophy for the top position for the best safe industry across all categories of industries in Karnataka State.
- The unit maintains an Environmental Management System certified under ISO 14001:2015 along with a NABL-accredited Environment laboratory, enabling systematic identification, monitoring and control of environmental aspects, thereby ensuring regulatory compliance, data reliability and continuous reduction in environmental risks.
- Zero Liquid Discharge (ZLD) has been consistently sustained through advanced effluent and sewage treatment systems, ensuring complete recovery and reuse of treated water as cooling tower make up, eliminating any discharge to external water bodies and significantly reducing freshwater withdrawal as well as aquatic pollution load.
- Fresh water consumption is reduced through replacement of the aging pipeline from reservoir to plant, eliminating transmission losses due to leakage and by installation of Thermoplastic Polyolefin (TPO) membrane in 18- and 6-million-gallon reservoirs, preventing seepage into the ground, thereby conserving fresh water and improving overall water utilization efficiency.

Directors' Report (Contd.)

- The transition to natural gas as a feedstock and fuel continues to deliver significant environmental benefits, with sustained reductions in sulphur dioxide emissions due to its negligible sulphur content, along with consistently lower carbon dioxide emissions owing to its higher hydrogen-to-carbon ratio, thereby continuously improving ambient air quality and reducing greenhouse gas intensity.
- Continuous Ambient Air Quality Monitoring systems and Online Stack Emission Monitoring continue to ensure real-time tracking of pollutants, enabling immediate corrective actions, regulatory transparency through CPCB connectivity and sustained compliance with emission standards.
- The unit has further developed and strengthened its greenbelt, including plantation of 3,000 saplings in the premises during the year 2025-26. A Green Belt and Carbon Sequestration study was carried out inside the factory premises by a certified third-party agency. The Mangalore Plant, based on a scientifically assessed study, has a total carbon stock of ~130,770 tonnes CO₂e and an annual sequestration of ~579 tonnes CO₂. These values highlight its significant contribution to climate change mitigation, along with added benefits of supporting biodiversity, improving air quality, strengthening overall environmental sustainability.
- A floating solar photovoltaic plant of 1800 kW capacity is installed in 18- and 6-million-gallon water reservoirs, which not only generates ~3.5 million units of renewable energy annually, reducing dependence on grid electricity and associated emissions (~2,576 tonnes CO₂/year), but also minimizes water evaporation losses due to surface coverage.
- Energy efficiency initiatives including large-scale LED lighting replacement and rooftop solar installations continue to deliver benefits by reducing electricity consumption through lower lighting load and auxiliary power demand, thereby indirectly reducing greenhouse gas emissions associated with grid power generation.
- 100% plastic waste recycling has been achieved under the Extended Producer Responsibility (EPR) framework, ensuring collection, transportation and scientific recycling of post-consumer plastic waste. A total of 2317 MT of plastic waste was collected, transported and recycled during FY 2025-26 by the Mangalore Plant in compliance with the Plastic Waste Management Extended Producer Responsibility (EPR) requirements.
- Waste-to-resource initiatives are already in place and actively continuing. A biogas digester installed in the factory canteen facilitates the anaerobic conversion of organic food waste into methane-rich biogas for cooking, thereby reducing LPG consumption and preventing methane emissions from uncontrolled decomposition. Additionally, organic waste composting practices through an organic waste composting machine installed in the township are ongoing, converting biodegradable waste into nutrient-rich compost, which reduces landfill burden and enhances soil health.
- Additional initiatives including rainwater harvesting, waste collection, segregation & scientific disposal and installation of advanced chlorine dioxide-based treatment systems continue to enhance resource recovery, reduce hazardous waste impact, improve cooling water quality, minimize chemical consumption and effluent generation.
- Periodical medical examinations were conducted for the year 2025-26 for all employees which included general physical examination, systemic examination and laboratory investigations. Special tests like Pulmonary Function test, Audiometry and Vision test were also conducted for identified employees exposed to the hazards like chemicals, dust and sound as per statutory requirement.
- Periodical medical examination was conducted for the contract employees and health advice was provided accordingly. Medical examination of the canteen workers was conducted covering tests for any communicable diseases. Employees of Ammonium Bi Carbonate Plant were examined for any communicable / skin diseases and were immunized against diseases like Hepatitis B, Typhoid and Tetanus as per schedule.
- Awareness programme on subjects like Health Hazards of Ammonia & Management of Ammonia Toxicity, Diphoterine Spray & its usage in Acid and Alkali burns were conducted for the employees.
- First aid training programmes were conducted for employees and contract workers regularly by Expert Faculty. Awareness programmes on "Health and Personal Hygiene" were conducted regularly for Canteen workers and ABC Plant employees.

Industrial Relations

Maintaining a positive and collaborative industrial relations (IR) climate is a cornerstone of our people-centric approach. At Paradeep Phosphates Ltd., we foster an ecosystem of trust, transparency and cooperation by actively engaging with employee unions and key stakeholders. Our structured stakeholder engagement strategy involves continuous dialogue, joint consultative mechanisms, and structured grievance redressal forums to ensure alignment with business objectives while upholding employee welfare.

Directors' Report (Contd.)

Through proactive union engagement, we promote collective bargaining, fair negotiations and shared decision-making, reinforcing a culture of mutual respect and industrial harmony. Our commitment to industrial stability is reflected in the successful conclusion of the wage settlement at our Paradeep location, ensuring equitable compensation and long-term workforce satisfaction. Additionally, our collaborative approach has resulted in zero production loss due to labour unrest, demonstrating the effectiveness of our proactive engagement strategies.

As we move forward, our commitment to an inclusive, dynamic and future-ready workforce remains steadfast. By leveraging strategic partnerships with employees and external stakeholders, we aim to build a progressive workplace that propels Paradeep Phosphates Ltd. to new heights of success while ensuring industrial peace, productivity and sustainable growth.

10. ANNUAL RETURN

Annual Return referred to in Section 92(3) of the Companies Act, 2013 will be available on the website of the Company i.e. <https://www.paradeepphosphates.com/investors/corporate-governance#annual-returns>

11. a) BOARD MEETINGS

During the year, seven Board Meetings were held on May 06, 2025, July 28, 2025, October 08, 2025, October 16, 2025, November 06, 2025, February 02, 2026 and March 18, 2026. The details of the composition of the Board and attendance of the Directors at the Board Meetings, are provided in the Corporate Governance Report attached as **Annexure - A**.

b) AUDIT COMMITTEE

During the year under review, five Audit Committee Meetings were held on May 05, 2025, July 28, 2025, November 06, 2025, February 02, 2026 and March 30, 2026 and all the recommendations of the Audit Committee were accepted by the Board. The details of the composition of the Audit Committee and details of committee meetings are given in the Corporate Governance Report attached as **Annexure - A**.

12. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as

to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively;
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

13. STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Directors of the Company have given declarations that they meet the criteria of independence as specified in Section 149(6) of the Companies Act, 2013 and shall abide by the Code for Independent Directors as specified in Schedule - IV of the Act.

14. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Subhrakant Panda (DIN: 00171845), Independent Director, completed his first term of 3 years on January 30, 2025 and his re-appointment for a second term of 5 years with effect from January 31, 2025 to January 30, 2030, was approved by the shareholders through Postal Ballot on April 16, 2025.

Mr. Akshay Poddar (DIN: 00008686) was appointed as Additional Director (Non-Executive Director) and Vice Chairman with effect from November 06, 2025 and his appointment was approved by the shareholders through postal ballot on February 02, 2026 (last date of e-voting).

Ms. Ruchira Kamboj (DIN: 11068450) was appointed as Additional Director (Independent Director) for a term of 5 years with effect from November 06, 2025 to November 05, 2030 and her appointment was approved by the shareholders through postal ballot on February 02, 2026 (last date of e-voting).

Mr. N Suresh Krishnan (DIN: 00021965), Managing Director has been re-appointed for a period of 3 years with effect from February 16, 2026 to February 15, 2029 and his re-appointment was approved by the shareholders through postal ballot on April 26, 2026 (last date of e-voting).

Directors' Report (Contd.)

Mr. Marco Philippus Ardeshir Wadia (DIN: 00244357) was appointed as Director (Independent Director) for a term of 5 years with effect from March 18, 2026 to March 17, 2031 and his appointment was approved by the shareholders through postal ballot on April 26, 2026 (last date of e-voting).

Mr. K K Rajeev Nambiar, Chief Operating Officer of the Company (DIN: 07313541) was appointed as Joint Managing Director for a period of 3 years with effect from April 01, 2026 to March 31, 2029 and his appointment was approved by the shareholders through postal ballot on April 26, 2026 (last date of e-voting).

Mr. Saroj Kumar Poddar (DIN: 00008654) is liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible offer himself for re-appointment

There was no change in Chief Financial Officer and Company Secretary of the Company during the year under review.

In the opinion of the Board of Directors, all the Independent Directors possess requisite expertise and experience on the roles, rights and responsibilities of Independent Directors.

A certificate obtained by the Company from a Company Secretary in practice, confirming that none of the Directors on the Board of Directors of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the Securities and Exchange Board of India /Ministry of Corporate Affairs or any such statutory authority, is enclosed as **Annexure - D** to this Report.

15. DIRECTORS TRAINING & FAMILIARIZATION

The Company, in compliance with Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, formulates programs to familiarize new Independent Directors inducted on the Board with the Company. All the Independent Directors of the Company are made aware of their roles and responsibilities at the time of their appointment through a formal letter of appointment, which also stipulates various terms and conditions of their engagement.

Senior management personnel of the Company present to the Board Members on a periodical basis, the operations of the Company, plans, strategy, risks management, new initiatives, ESG, etc.

The Statutory Auditors and Internal Auditors of the Company presents to the Board Members on Financial Statements and Internal Controls including presentation on regulatory changes from time to time.

16. PERFORMANCE EVALUATION

Pursuant to the provisions contained in Companies Act, 2013 and Schedule IV (Section 149(8) of the Companies Act, 2013, the following performance evaluations were carried out;

- Performance evaluation of the Board, Chairman and non-Independent Directors by the Independent Directors;
- Performance evaluation of the Board, its Committees and Independent Directors by the Board of Directors; and
- Performance evaluation of every Director by the Nomination and Remuneration Committee.

The evaluation process covered adequacy of the composition of the Board and its Committees, disclosure of information to the Board and Committees, performance of duties and obligations, governance parameters, participation of the members of the Board / Committees and fulfilment of independence criteria and maintaining independence from the management by the Independent Directors.

Based on the evaluation done by the Directors, the performance of the Board, its Committees and the Directors were satisfactory and the quality, quantity and timeliness of flow of information between the management and the Board was appreciable.

17. NOMINATION AND REMUNERATION POLICY AND DISCLOSURE ON REMUNERATION

Based on the recommendation of the Nomination and Remuneration Committee, the Board has approved the Nomination and Remuneration Policy. The Nomination and Remuneration Policy provides for constitution & role of Nomination and Remuneration Committee, guidelines on procedure for appointment / removal of Director, Key Managerial Personnel or at Senior Management level, recommendation for remuneration, compensation and commission to be paid to the Managing Director / Whole time Director / Non – Executive Directors and carrying out evaluation of performance of every Director and Key Managerial Personnel.

The Nomination and Remuneration Policy is placed on the website of the Company i.e. <https://www.paradeepphosphates.com/uploads/content/nomination-and-remuneration-policy.pdf>.

The disclosure related to the employees under Section 197(12) read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as **Annexure - H** to this Report.

Directors' Report (Contd.)

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company should form part of this report. However, in terms of Section 136 of the Companies Act, 2023, this report is being sent to all the members of the Company excluding the aforesaid information. Any member, who is interested in obtaining these particulars about employees, may write to the Company at cs.ppl@adventz.com. The said particulars are available for inspection by the Members at the Registered Office of the Company.

18. SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURES

"Zuari Yoma Agri Solutions Limited", Myanmar continued as a 50:50 joint venture with Yoma Strategic Holdings Ltd. Statement containing salient features of the financial statement of the joint venture under Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014 is annexed hereto as **Annexure - I**.

19. CORPORATE SOCIAL RESPONSIBILITY AND ESG COMMITTEE

In accordance with the provisions of Section 135 of the Act and Companies CSR (Policy) Rules, 2014, your Company has constituted a CSR Committee of the Board. Based on the recommendation of the Committee, the Board has formulated a CSR Policy for the Company indicating the CSR activities, modalities of execution, implementation schedule, and amount of expenditure and monitor the Policy from time to time. The Committee also oversee the Company's overall strategy, policies, practices and performance with respect to ESG Matters. A detailed Report on CSR activities undertaken by the Company during the year, containing the information in the prescribed format, is annexed hereto as **Annexure - G** and forms part of this Report.

20. WHISTLE BLOWER POLICY/VIGIL MECHANISM

The Company has established a vigil mechanism through Whistleblower Policy and the Audit Committee of the Company is responsible to review periodically the efficient and effective functioning of the vigil mechanism, to deal with instances of fraud and mismanagement and suspected violations of the Company's Code of Business Conduct and Ethics, if any.

The Whistleblower Policy provides for adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the Chairman of the Audit Committee on reporting issues concerning the interests of the employees and the Company. The Whistleblower Policy is placed on the website of the Company i.e., <https://www.paradeepphosphates.com/uploads/content/whistle-blower-policy1776938566.pdf>.

21. RISK MANAGEMENT

The Company has the requisite processes and procedures in place to identify and assist in minimizing exposure to risk that threaten the existence of the Company. The Board has put in place a risk management policy to monitor and review potential risks. The brief detail about this policy may be accessed on the Company's website at <https://www.paradeepphosphates.com/uploads/content/riskassessmentmanagementpolicy19nov2022.pdf>

The Company regularly reviews and assess the policies / procedures and identify risks, perform analysis of the frequency and severity of potential risks, select the best techniques to mitigate the risk, implement appropriate risk management techniques and monitor, evaluate and document results.

22. LOANS, GUARANTEES OR INVESTMENTS

The details of loans given, Corporate guarantees provided and investments made by Company under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the financial statements.

23. TRANSFER OF UNCLAIMED DIVIDEND AND SHARES TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of Section 124 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and rules made thereunder the unclaimed / unpaid amounts or shares were transferred to the Investor Education and Protection Fund (IEPF).

24. RELATED PARTY TRANSACTIONS

Transactions entered by the Company with its related parties were on an arm's length basis and/or in the ordinary course of business. Suitable disclosures as required under Ind AS-24 have been made in Note No. 33 to the Financial Statements. The Company had not entered into any arrangement/ transaction with related parties which is material in nature pursuant to the provisions of Section 188 of the Companies Act and accordingly the disclosure of Related Party Transactions in Form AOC-2 is not applicable.

25. DEPOSITS

The Company has not accepted any deposits in the past or during the year.

26. STATUTORY AUDIT

The Statutory Auditors, M/s. BSR & Co. LLP, Chartered Accountants, were re-appointed at the 40th Annual General Meeting of the Company held on September 12, 2022, to hold office from the conclusion of 40th Annual General Meeting till the conclusion of 45th Annual General Meeting of the Company.

Directors' Report (Contd.)**27. SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the shareholders appointed M/s. Sunita Jyotirmoy and Associates, Practicing Company Secretaries, to undertake the Secretarial Audit of the Company for 5 consecutive years 2025-26 to 2029-30. The Secretarial Audit report is annexed herewith as **Annexure - E**.

28. COST RECORDS & COST AUDIT

The Company is required to maintain cost records as per Section 148(1) of the Companies Act, 2013 and get the Cost audit done by a Cost Auditor. Accordingly, such accounts & records are made and maintained. The Company appointed M/s. S. S. Sonthalia & Co., Cost Accountants, as the Cost Auditor for the year 2025-26. The Cost Audit Report for the year ended March 31, 2025 was filed by the Company with the Ministry of Corporate Affairs.

29. AUDITORS' REPORT

There were no qualifications, reservations or adverse remarks made by the Statutory Auditor, Secretarial Auditor and Cost Auditor in their respective reports. No frauds have been reported by the Auditors during the year.

30. MATERIAL CHANGES & COMMITMENTS

There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report.

31. SIGNIFICANT & MATERIAL ORDERS

No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

32. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

The Company has adequate systems of internal control in place, which is commensurate with its size and the nature of its operations. The Company has designed and put in place adequate Standard Operating Procedures and Limits of Authority Manuals for conduct of its business, including adherence to Company's policies, safeguarding its assets, prevention and detection of fraud and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information.

These documents are reviewed and updated on an ongoing basis to improve the internal control systems and operational efficiency. The Company uses a state-of-

the-art ERP (SAP) system to record data for accounting and managing information with adequate security procedure and controls.

33. COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

34. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013. The Consolidated Financial Statements for the Financial Year ended March 31, 2026 forms part of the Annual Report.

35. EMPLOYEE STOCK OPTION SCHEME

Your Company has formulated an employee stock option scheme, namely, PPL Employees Stock Option Plan 2021, ("ESOP 2021"). ESOP 2021 was approved pursuant to a Board resolution and Shareholders' Resolution, each dated August 10, 2021, and amended pursuant to a Board resolution dated April 29, 2022.

In terms of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended from time to time ('SEBI Regulations'), the Nomination and Remuneration Committee of Board, inter alia, administers and monitors the PPL Employee Stock Option Plan 2021. A certificate from the Secretarial Auditor on the implementation of your Company's Employees Stock Option Scheme will be placed at the ensuing Annual General Meeting for inspection by the Members. Further, disclosures pursuant to Regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 read with SEBI circular dated June 16, 2015 for the financial year ended March 31, 2026 are available on website of the Company.

36. DISCLOSURE AS PER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirement of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and all the employees are covered under this Policy. Awareness program on Legislations and remedies related to sexual harassment of women at workplace has been conducted. The Company has complied with provisions relating to the constitution of

Directors' Report (Contd.)

Internal Complaints Committee under this Act. The status of the sexual harassment complaint received and disposed during the year are below:

- number of complaints of sexual harassment received in the year – nil
- number of complaints disposed off during the year – nil
- number of cases pending for more than ninety days – nil

37. DISCLOSURE WITH RESPECT TO THE COMPLIANCE OF THE PROVISIONS RELATING TO THE MATERNITY BENEFIT ACT 1961

The Company has complied with the provisions relating to the Maternity Benefit Act 1961.

38. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure - F** attached to this report.

39. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

No application was made or any proceedings filed under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the financial year 2025-26.

40. CORPORATE GOVERNANCE

The Company is committed to good corporate governance practices. The Board endeavors to adhere to the standards set out by the Securities and Exchange Board of India (SEBI) on corporate governance practices and accordingly has implemented all the mandatory stipulations.

A detailed Corporate Governance Report in line with the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 regarding the corporate governance practices followed by the Company which is given as **Annexure – A** and the certificate from Practicing Company Secretary relating to compliance of mandatory requirements is given as **Annexure – B**. Management Discussion and Analysis report for 2025-26, forms part of the Annual Report.

41. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The 'Business Responsibility and Sustainability Report' (BRSR) for the FY 2025-26, forms part of the Annual Report.

42. GENERAL

No disclosure or reporting is made with respect to the following items, as there were no transactions during FY 2025-26:

- The issue of equity shares with differential rights as to dividend, voting or otherwise;
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme except Employees' Stock Options Schemes referred to in this Report;
- Managing Director and Chief Executive Officer has not received any remuneration or commission from any of its subsidiaries;
- There was no revision in the financial statements;
- The Company has not made any downstream investments during FY 2025-26 and hence certificate under FEMA is not required;
- There was no material subsidiary during the FY 2025-26 and
- There was no one time settlement against any of the loan availed by the Company from the Banks or Financial Institutions during the Financial Year 2025-26.
- The Corporate Identification Number (CIN) of the Company has been changed from "L24129OR1981PLC001020" to "L20122OR1981PLC001020",

The change in CIN has occurred pursuant the amendment in the Object Clause of the Memorandum of Association (MOA), and subsequent alignment with the currently valid National Industrial Classification (NIC) Code 2008.

43. ACKNOWLEDGEMENT

Your Board of Directors take this opportunity to acknowledge the continued support and co-operation extended by the Shareholders. The Board wishes to place on record their appreciation of the continued support and cooperation extended by the Consortium of Bankers, Railway Authorities, Port Authorities, Government Departments both at the Centre and the States, Suppliers, Dealers and above all, Farmers. The Board also wishes to place on record their deep appreciation of the excellent services rendered by the Employees at all levels during the year.

For and on behalf of the
Board of Directors,

Saroj Kumar Poddar

Chairman

DIN: 00008654

Date: 11/05/2026

Directors' Report (Contd.)

ANNEXURE - A TO THE DIRECTORS' REPORT

Corporate Governance Report

1. COMPANY'S PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE

The philosophy of the Company on Corporate Governance is aimed at safeguarding and adding value to the interests of various stakeholders and envisages attainment of the highest levels of transparency and accountability in all areas of its operations and interactions with its stakeholders.

We have strengthened our governance and compliance frameworks to drive innovation and maintain stakeholder trust. Our governance model emphasizes accountability, ethical behavior, and transparency, reflecting our core values. By not only meeting but exceeding regulatory requirements and adopting industry-leading practices, we cultivate a culture of openness that bolsters stakeholder trust and positions us for sustainable growth.

2. BOARD OF DIRECTORS

Our Board plays an essential role in providing strategic oversight. It shapes management's strategic direction and ensures that performance evaluations align with our long-term goals. With a keen focus on stakeholder interests, the Board actively upholds high governance standards while promoting value creation. With Independent Directors comprising over 50% of the Board, we consistently integrate impartial insights into our decision-making processes.

The Board of Directors with an optimum combination of Executive, Non-Executive and Independent Directors meets at regular intervals.

During the year, seven Board Meetings were held on May 06, 2025, July 28, 2025, October 08, 2025, October 16, 2025, November 06, 2025, February 02, 2026 and March 18, 2026.

Attendance of each Director at the Board of Directors' meetings and at the previous Annual General Meeting along with the number of other companies and committees where the Director is a Chairman/Member is given hereunder:

Name of Director	Category [^]	Skills/expertise/competence	No. of Directorships in other companies+ as on 31-03-2026	No. of Board Meetings Attended	No. of shares held	Attendance at previous Annual General Meeting	No. of Board Committees of other companies++ as on 31-03-2026		Directorship in other Listed entity	
							Chairman	Member	Name	Category [^]
Mr. Saroj Kumar Poddar	Chairman / NED	Business Management Leadership and General Management and Industry Experience	12	7	Nil	Yes	0	0	Chambal Fertilisers and Chemicals Ltd	NEC
									Texmaco Rail & Engineering Ltd.	EC
									Zuari Agro Chemicals Ltd.	NEC
									Zuari Industries Ltd	NEC
Mr. Akshay Poddar ®	Vice Chairman / NED	Honors in Accounting and Finance from London School of Economics and Political Science, University of London. Promoting and managing businesses in diversified industries like fertilizers, agri-inputs, heavy engineering, sugar, consumer products, real estate, investments and furniture etc.	19	2	545	NA	01	01	Adventz Securities Enterprises Ltd.	NED
									Texmaco Infrastructure & Holdings Ltd.	NEC
									Texmaco Rail & Engineering Ltd.	NED
									Zuari Agro Chemicals Ltd.	NED
									Zuari Industries Ltd.	NED

Directors' Report (Contd.)

Name of Director	Category [^]	Skills/expertise/competence	No. of Directorships in other companies+ as on 31-03-2026	No. of Board Meetings Attended	No. of shares held	Attendance at previous Annual General Meeting	No. of Board Committees of other companies++ as on 31-03-2026		Directorship in other Listed entity	
							Chairman	Member	Name	Category [^]
Mr. N Suresh Krishnan	MD	Corporate Finance, Corporate Strategy, Project Planning, Operations and Business Development. Leadership and Industry Experience	4	7	140477	Yes	0	1	Bluspring Enterprises Limited	ID
Mr. Soual Mohamed	NED	General Management and industry experience	1	7	Nil	Yes	0	0	-	-
Mr. Karim Lotfi Senhadji	NED	Risk Management, Finance Skills, Business Management, Leadership Skills	1	5	Nil	No	0	0	-	-
Mr. Satyananda Mishra	ID	Experience in governance corporate risk assessment and strategic analysis	5	7	Nil	Yes	0	2	Ugro Capital Ltd	ID
Mr. Dipankar Chatterji	ID	Chartered Accountant by profession and is an expert in the field of Finance, Taxation, Accounts and Laws	8	7	Nil	Yes	2	4	Nicco Parks & Resorts Ltd	ID
Mr. Subhrakant Panda	ID	Experience in Business Management/ corporate planning, strategic analysis	4	6	Nil	No	0	1	Zuari Agro Chemicals Ltd	ID
									Indian Metals and Ferro Alloys Ltd	MD
									Goa Carbon Ltd	ID
									Jk Tyre & Industries Ltd	ID
Ms. Rita Menon	ID	Experience in Corporate Governance, Accounting & Finance and General Management	2	7	Nil	Yes	1	1	Chambal Fertilisers and Chemicals Ltd	ID
Ms. Ruchira Kamboj [@]	ID	Leadership, excellence	1	2	Nil	NA	-	-	Hindustan Media Ventures Limited	ID
Mr. Marco Philippus Ardeshir Wadia [#]	ID	Bachelor's degree in law from Bombay University. He has over 32 years of experience in the legal profession having specialised in corporate matters and mergers and acquisitions.	7	NA	Nil	NA	-	-	Texmaco Rail & Engineering Ltd	ID

[@]w.e.f. 06.11.2025, [#]w.e.f. 18.03.2026,

[^]MD-Managing Director, ID-Independent Director, NED-Non-Executive Director, NEC-Non- Executive Chairman, EC-Executive Chairman,

⁺Includes Directorship in other public and private companies.

⁺⁺Includes Audit Committee and Stakeholders' Relationship Committee only in public companies.

Directors' Report (Contd.)

Except Mr. Saroj Kumar Poddar- Chairman and Mr. Akshay Poddar- Vice Chairman, None of the other Directors are related to each other.

Specific skills/ expertise/ competency identified / required

The following skills / expertise / competencies are identified for the effective functioning of the Company which are currently available with the Directors.

a. Strategic skills

Creation & implementation of effective strategies, ability to think strategically to propose new ideas and future-oriented perspective. Need for clear vision on business models and strategic analysis.

b. Finance skills

The ability to analyse key financial statements, critically assess financial viability and performance, contribute to strategic financial planning and oversee budgets.

c. Regulatory matters

Understanding of the relevant laws, rules, regulation policies applicable to the organisation/ industry/ sector and level/ status of compliances thereof by the organization.

d. Industry / Technical / Product related

Experience & knowledge of the industry and its dynamics as well as technical aspect related to the Industry.

e. Risk related

Identification of key risks including legal and regulatory compliance, and advising on risk mitigation.

f. Business management

Experience at an executive level including the ability to evaluate the performance of the senior management, strategic human resource management and industrial relations; oversee large scale organisational change.

g. Corporate Governance related

Understanding of the best corporate governance practices, relevant governance codes, and governance structure.

h. Personal attributes

Integrity & Ethics, Constructive participation, leadership qualities, innovative thinking and critical analysis.

Independent Directors

a. Familiarization Programme

The Company, in compliance with Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, formulates programs to familiarize new Independent Directors inducted on the Board with the Company, nature of the industry, business model and their roles and responsibilities. The Independent Directors are having rich experience on the roles, rights and responsibilities of Independent Directors. The details of familiarization programme have been disclosed on the Company's website <https://www.paradeepphosphates.com/investors/corporate-governance#familiarization-programmes>.

b. Separate Meeting

A separate meeting of the Independent Directors was held on May 05, 2025 to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole.
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

c. In the opinion of the Board, the Independent Directors fulfil the conditions specified in the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended, and are independent of the management.

3. AUDIT COMMITTEE

The terms of reference of the Audit Committee are as given below:

- The Audit Committee shall meet at least 4 times in a year with not more than 120 days gap between two meetings.
- The quorum for the meetings shall be at least 2 independent directors and Chairman of the meeting shall be an Independent Director.
- The Audit Committee shall have the powers to investigate any financial activity, seek information from any employee, obtain outside legal or professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary

Directors' Report (Contd.)

- iv. The role of Audit Committee and the information that the Audit Committee shall review will be as specified in Section 177 of the Companies Act, 2013 read with rules made thereunder and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Part C of Schedule II.
- v. The Audit Committee shall specify the criteria for making the omnibus approval which shall include parameters prescribed in Rule 6A of the Companies (Meetings of Board and its Powers) Rules, 2014.
- vi. The Audit Committee shall review Policy on Related Party Transactions and Whistle-blower Policy on an annual basis.
- vii. The Company Secretary shall act as the secretary to the Audit Committee.

Besides the above, the additional terms of reference of Audit Committee as per the Companies Act, 2013 includes reviewing and monitoring auditor's independence and performance, and effectiveness of audit process; examination of the financial statement and the auditor's report thereon; approval or any subsequent modification of transactions of the Company with related parties; scrutiny of inter-corporate loans and investments; valuation of undertakings or assets of the Company, whenever it is necessary.

During the year, five meetings of the Audit Committee were held on May 05, 2025, July 28, 2025, November 06, 2025, February 02, 2026 and March 30, 2026.

The composition and the attendance of the members of the Audit Committee is as follows:

Name of the Director	Status	No. of meetings attended
Mr. Dipankar Chatterji	Chairman	05
Mr. Satyananda Mishra	Member	05
Mr. Karim Lotfi Senhadji	Member	03
Ms. Rita Menon	Member	05

4. NOMINATION AND REMUNERATION COMMITTEE

The terms of reference of the Nomination and Remuneration Committee are as given below:

- i. The Nomination and Remuneration Committee shall meet at such intervals as may be necessary, but at least once in a year, to discharge its functions.
- ii. The quorum for the meetings shall be at least 2 members including at least one Independent Director and Chairman of the meeting shall be an Independent Director.

- iii. The role of Nomination and Remuneration Committee shall be as specified in Section 178 of the Companies Act, 2013 read with rules made thereunder and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Part D of Schedule II.
- iv. The Nomination & Remuneration Committee shall review Nomination and Remuneration Policy and Policy on Board Diversity on an annual basis.
- v. The Company Secretary shall act as the secretary to the Nomination & Remuneration Committee.
- vi. Perform such functions as are required to be performed by the Nomination and Remuneration Committee under the SEBI (Share Based Employee Benefits) Regulations, 2014, including the following:
 - (a) administering the PPL Employees Stock Option Plan 2021 (the "Plan");
 - (b) determining the eligibility of employees to participate under the Plan;
 - (c) granting options to eligible employees and determining the date of grant;
 - (d) determining the number of options to be granted to an employee;
 - (e) determining the exercise price under the Plan; and
 - (f) Construing and interpreting the Plan and any agreements defining the rights and obligations of the Company and eligible employees under the Plan, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the Plan.

- vii. Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
 - (a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
 - (b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by [the trust,] the Company and its employees, as applicable.
 - (c) Carrying out any other activities as may be delegated by the Board of Directors of the Company and functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Directors' Report (Contd.)

- viii. Perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority.

During the year, four meetings of the Nomination and Remuneration Committee were held on May 05, 2025, June 27, 2025, November 06, 2025 and February 02, 2026.

The composition and the attendance of the members of the Nomination and Remuneration Committee is as follows:

Name of the Director	Status	No. of meetings attended
Mr. Satyananda Mishra	Chairman	04
Mr. Soual Mohamed	Member	04
Ms. Rita Menon	Member	04

Performance evaluation criteria for Independent Directors

The Nomination and Remuneration Committee has evaluated the performance of every Director and the evaluation process was carried out by circulating questionnaires on performance of duties, participation and contribution to the Board and Committees.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The terms of reference of the Stakeholders' Relationship Committee are as given below;

- The Stakeholders Relationship Committee shall meet at such intervals as it may be necessary, but at least once in a year, to discharge its functions.
- The quorum for the meetings shall be at least 2 members.
- The Chairman of the meeting shall be a non - executive director and he shall be present at the annual general meeting.
- The role of Stakeholders Relationship Committee shall be as specified in Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Part D of Schedule II.

During the year, one meeting of the Stakeholders' Relationship Committee was held on February 02, 2026.

The composition and the attendance of the members of the Stakeholders' Relationship Committee is as follows:

Name of the Director	Status	No. of meetings attended
Mr. Satyananda Mishra	Chairman	01
Mr. N Suresh Krishnan	Member	01
Ms. Rita Menon	Member	01

Mr. Sachin Patil, Company Secretary is the Compliance Officer.

During the year ended March 31, 2026, the Company has received 19 shareholders' complaint and same was redressed to the satisfaction of the shareholder.

6. RISK MANAGEMENT COMMITTEE

The terms of reference of the Risk Management Committee are as given below:

- The Committee shall meet at such intervals, as per the applicable provisions of the Companies Act, 2013 and applicable SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, amended from time to time.
- The quorum for the meetings of the Committee shall be as per the applicable provisions of the Companies Act, 2013 and applicable SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, amended from time to time.
- The Chairman of the Committee and its meetings shall always be a member of the Board of Directors.
- The Committee shall monitor and review the risk management plan.
- The Committee shall review risk matrix and regulatory risk factors.
- The Committee shall review Foreign exchange Hedging policy and Risk Management Policy on an annual basis.
- The Committee shall exercise such powers and duties as may be delegated by the Board of Directors.
- The Company Secretary shall act as the secretary to the Committee.

During the year, two meetings of the Risk Management Committee were held on September 22, 2025 and March 30, 2026.

Directors' Report (Contd.)

The composition and the attendance of the members of the Risk Management Committee is as follows:

Name of the Director	Status	No. of meetings attended
Mr. Dipankar Chatterji	Chairman	02
Mr. N Suresh Krishnan	Member	02
Mr. Karim Lotfi Senhadji	Member	01
Mr. K K Rajeev Nambiar	Member	01

7. CORPORATE SOCIAL RESPONSIBILITY AND ESG COMMITTEE

The terms of reference of the Corporate Social Responsibility and ESG Committee are as given below;

- The Corporate Social Responsibility & ESG Committee shall meet periodically as required.
- The quorum for the meetings shall be at least 2 members.
- The Chairperson of the Committee shall be a Non-executive Independent Director.
- The Committee shall recommend the amount of expenditure to be incurred on the CSR activities on an annual basis.
- The Committee shall monitor & recommend to the Board changes to the Corporate Social Responsibility Policy covering the provisions of Companies Act, 2013 and the Rules made thereunder, from time to time.
- Recommend to the Board the Company's overall general strategy with respect to ESG Matters.
- Oversee the Company's policies, practices and performance with respect to ESG Matters.
- To review the implementation of targets, standards and metrics established to assess and track the Company's ESG performance to ensure that the Company's performance is consistent with the Company's long-term strategic objectives, good corporate citizenship and the Company's ESG strategy.
- The Company Secretary shall act as the secretary to the Corporate Social Responsibility and ESG Committee.

During the year, one meeting of the Corporate Social Responsibility and ESG Committee was held on May 05, 2025.

The composition and the attendance of the members of the Corporate Social Responsibility and ESG Committee was as follows:

Name of the Director	Status	No. of meetings attended
Ms. Rita Menon	Chairperson	01
Mr. N Suresh Krishnan	Member	01
Mr. Karim Lotfi Senhadji	Member	01

8. SENIOR MANAGEMENT

As on March 31, 2026, Senior Management of the Company includes the following:

Sl. No.	Name	Designation
1.	Mr. N Suresh Krishnan	Managing Director & CEO
2.	Mr. K K Rajeev Nambiar	Chief Operating Officer*
3.	Mr. Harshdeep Singh	Chief Commercial Officer
4.	Mr. Bijoy Kumar Biswal	Chief Financial Officer
5.	Mr. Raj Kumar Gupta	Chief Procurement Officer
6.	Mr. Rajneesh Bhardwaj	Chief Human Resources Officer
7.	Mr. Sachin Patil	Company Secretary

*Appointed as Joint Managing Director w.e.f. 01.04.2026

9. REMUNERATION OF DIRECTORS

The Company did not have any pecuniary relationship or transaction with any Non-Executive Directors except to the extent of payment of sitting fees and commission during the year 2025-26.

Remuneration by way of sitting fees was paid to the Independent Directors during the financial year ended 31st March 2026 for attending the meetings of the Board and the Committees. Further the commission was paid to the Non-Executive Directors. Payment of remuneration to the Managing Director was as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

Directors' Report (Contd.)

The details of the remuneration to the Directors is given below.

(₹ in lakhs)

Name of the Director	Salary	Sitting fees & Commission	Perquisites	Stock Options	Bonus	Retirement benefit	Terms of service contract
Mr. Saroj Kumar Poddar	-	10.00	-	-	-	-	Director liable to retire by rotation
Mr. Akshay Poddar@	-	-	-	-	-	-	Director liable to retire by rotation
Mr. N Suresh Krishnan	660.21	-	-	21.87	-	304.09	Re-appointed as MD for a period of 3 years w.e.f.16.02.2026. Termination with 6 months' notice by either party
Mr. Soual Mohamed	-	-	-	-	-	-	Director liable to retire by rotation
Mr. Karim Lotfi Senhadji	-	-	-	-	-	-	Director liable to retire by rotation
Mr. Satyananda Mishra	-	15.80	-	-	-	-	Re-appointed as Independent Director for a period of 3 years w.e.f. 04.11.2023
Mr. Dipankar Chatterji	-	15.40	-	-	-	-	Re-appointed as Independent Director for a period of 3 years w.e.f. 03.08.2024
Mr. Subhrakant Panda	-	12.50	-	-	-	-	Re-appointed as Independent Director for a period of 5 years w.e.f. 31.01.2025
Ms. Rita Menon	-	16.20	-	-	-	-	Appointed as Independent Director for a period of 3 years w.e.f. 27.06.2026
Ms. Ruchira Kamboj@	-	0.50	-	-	-	-	Appointed as Independent Director for a period of 5 years w.e.f. 06.11.2025
Mr. Marco Wadia#	-	-	-	-	-	-	Appointed as Independent Director for a period of 5 years w.e.f. 18.03.2026

@w.e.f 06.11.2025, #w.e.f 18.03.2026

10. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading in the shares of the Company, pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended. The Board has designated the Company Secretary, as the Compliance Officer and authorized the Managing Director to monitor the compliance of the aforesaid regulations.

11. CODE OF BUSINESS CONDUCT AND ETHICS

The Company has in place, a Code of Business Conduct and Ethics for its Board members and the senior management, which has been posted on the Company's website. The Board and the senior management affirm compliance with the code, annually. The Managing Director has confirmed compliance of Code of Conduct and Ethics during the year 2025-26 by the Board Members and Senior Executives of the Company.

Directors' Report (Contd.)

12. GENERAL MEETINGS

The details of location, time and special resolutions passed at the previous three Annual General Meetings given below:

Date	Time	Venue	Special Resolutions Passed
September 12, 2025	3:00 PM	Through Video Conferencing	None
September 25, 2024	4:00 PM	Through Video Conferencing	None
September 26, 2023	3:00 PM	Through Video Conferencing	- Appoint Mrs. Rita Menon (DIN: 00064714) as an Independent Director - Re-appoint Mr. Satyananda Mishra (DIN: 01807198) as an Independent Director and continuation of directorship after attaining the age of 75 years

Details of the Special Resolution passed through Postal Ballot during the financial year 2025-26:

Brief procedure for Postal Ballot	Postal Ballot conducted as per Section 110 of the Companies Act, 2013 and Companies (Management and Administration) rules, 2014.			
Date of Postal Ballot notice	February 03, 2025		December 31, 2025	
Item of Special Resolution passed through the Postal Ballot	Re-appointment of Mr. Subhrakant Panda (DIN: 00171845) as a Non-executive Independent Director of the Company	Increase in Borrowing Limit and creation of mortgage / charge on the movable and immovable properties of the Company both present and future, in respect of borrowings	Appointment of Mrs. Ruchira Kamboj (DIN: 11068450) as a Non-executive Independent Director of the Company	Alteration of object clause and adoption of amended Memorandum of Association
Details of voting pattern	Votes in favour: 66,65,33,534 (98.82%) Votes against: 79,48,489 (1.18%)	Votes in favour: 82,22,57,169 (99.52%) Votes against: 39,90,541 (0.48%)	Votes in favour: 82,32,75,219 (99.64%) Votes against: 29,64,970 (0.36%)	Votes in favour: 82,62,11,694 (99.99%) Votes against: 32,119 (0.01%)
Date of declaration of result and date of approval	April 17, 2025 and April 16, 2025	February 03, 2026 and February 02, 2026		
Name of the Scrutinizer for conducting Postal Ballot	Mr. Shivaram Bhat, Practicing Company Secretary			

Details of the Special Resolution proposed to be conducted through Postal Ballot:

The Board at its meeting held on 2nd February 2026 has approved to seek the approval of shareholders for re-appointment of Mr. N Suresh Krishnan as a Managing Director of the Company & payment of remuneration, Appointment of Mr. K K Rajeev Nambiar as Joint Managing Director of the Company & payment of remuneration and on 18th March 2026 has approved to seek the approval of shareholders for Appointment of Mr. Marco Philippus Ardeshir Wadia as a Non-Executive Independent Director of the Company and continuation of directorship after attaining the age of 75 years and through Postal Ballot.

As on 31st March, 2026 the Postal Ballot for approval of the shareholders was in progress.

13. MEANS OF COMMUNICATION

The quarterly financial results will be published in Business Line, an English daily as well as Surya Prava/Samaja/Sambad, a vernacular daily. The results are also posted on the Company's website: <https://www.paradeepphosphates.com/investors/corporate-governance#newspaper-publications>.

All official press releases, presentations made to analysts and institutional investors and other general information about the Company are also available on the website of the Company.

Directors' Report (Contd.)

14. GENERAL SHAREHOLDER INFORMATION

a. Annual General Meeting

The Forty-Fourth Annual General Meeting of the Company will be held on **Thursday, September 17, 2026 at 3:00 PM (IST)** through VC/OAVM.

b. Financial Year

Financial Year – April 1 to March 31

Financial reporting during the year 2026-27:

Quarter	Declaration of un-audited/audited financial results
Results for the quarter ending June 30, 2026	On or before August 14, 2026 or such prescribed period
Results for the half – year ending September 30, 2026	On or before November 14, 2026 or such prescribed period
Results for the quarter ending December 31, 2026	On or before February 14, 2027 or such prescribed period
Audited Annual Results for 2026-27	On or before May 30, 2027 or such prescribed period

c. Record date: September 04, 2026

d. Dividend payment date: Within 30 days from the date of approval of shareholders

e. Listing on the Stock Exchanges

The Company's shares are presently listed on the following Stock Exchanges:

BSE Limited	National Stock Exchange of India Limited
Phiroze Jeejeebhoy Towers	Exchange Plaza, Bandra Kurla Complex
Dalal Street, MUMBAI – 400 023	Bandra (E), MUMBAI – 400 051

The Company has paid the annual listing fees to the Stock Exchanges and the custodial fees to NSDL and CDSL for the financial year 2025-26.

f. The securities were not suspended from trading during the year

g. Registrars and Share Transfer Agents

M/s. MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited), have been engaged to provide both share transfer as well as dematerialization services.

h. Shareholding Pattern as on March 31, 2026

Category	No. of Equity Shares	% of shareholding
Promoters & Promoters Group	60,00,44,219	57.80
Insurance Companies	8,69,031	0.08
Mutual Funds	15,93,36,116	15.35
Foreign Portfolio Investors	8,67,39,948	8.36
Private Corporate Bodies	1,74,29,121	1.68
Public	15,33,23,102	14.77
NRIs	57,45,969	0.55
Others	1,46,83,088	1.41
Total	103,81,70,594	100.00

Distribution of shareholding as on March 31, 2026

	No. of shareholders	% of shareholders
1 – 500	2,81,902	84.85
501 – 1000	25,978	7.82
1001 – 2000	12,821	3.86
2001 – 3000	4,026	1.21
3001 – 4000	2,034	0.61
4001 – 5000	1,696	0.51
5001 – 10000	2,122	0.64
10001 & above	1,668	0.50
Total	3,32,247	100.00

Directors' Report (Contd.)

i. Dematerialisation of shares and liquidity

The Company's equity shares having been mandated for settlement only in dematerialized form by all investors, the Company has signed tripartite agreements with the National Securities Depository Limited [NSDL], the Central Depository Services (India) Limited [CDSL] and MUFG Intime India Private Limited (formerly Link Intime India Private Limited), to offer depository related services to its shareholders. As on date, 100.00% of the equity share capital of the Company has been dematerialized.

j. The Company has not issued GDRs/ADRs/Warrants and Convertible Instruments.

k. Commodity price risk or foreign exchange risk and hedging activities.

The details of foreign currency exchange risk & commodity risk are disclosed in the Note No. 35 to the Financial Statements. Foreign Currency Exchange risk is hedged in accordance with the Policy formulated by the Company for that purpose and periodical update is given to the Board on a quarterly basis.

l. Plant location: Paradeep, Jagatsinghpur, Odisha – 754145, Zuarinagar, Goa – 403726, Panambur, Mangalore – 575010, Mahad, Raigad – 402302.

m. Address for Correspondence

Corporate Office	Registrar and shareTransfer Agent
Paradeep Phosphates Limited 3 rd Floor, Adventz Centre, 28 Union Street, Off Cubbon Road, Bengaluru - 560001, Karnataka, India Phone: +91 80-46812500/55 Email: cs.ppl@adventz.com	MUFG Intime India Private Limited (formerly Link Intime India Private Limited) C - 101, Embassy 247, L.B.S. Marg, Vikhroli - (West), Mumbai - 400 083 Phone: +91 022 - 4918 6000 Email: investor.helpdesk@in.mpms.mufg.com

The Company has designated the email ID cs.ppl@adventz.com for registering investor complaints.

n. Credit ratings

- Agency - ICRA Limited
- Instrument - Line of credit
- Rating - ICRA AA- (long term scale)
- ICRA A1+ (short term scale)
- Outlook - Stable

15. OTHER DISCLOSURES

a. Disclosures on materially significant related party transactions

No transaction of material nature has been entered into by the Company with its Promoters, Directors or the management, their subsidiaries or relatives, etc., that may have potential conflict with the interests of the Company. However, please refer to the relevant Notes to the financial statements on related party transactions.

b. Details of non-compliance by the Company, penalties, strictures :

The Company has complied with all the statutory requirements comprised in the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and there were no penalty / strictures were imposed on the Company by stock exchange(s) or SEBI or any statutory authority, on any matter related to capital markets during the last three years.

c. The Company has a Whistleblower Policy closely monitored by the management. No personnel has been denied access to the Audit Committee.

d. The Company has complied with all the mandatory requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

e. The Company does not have any subsidiary and hence policy on determining material subsidiaries is not applicable.

f. The Board of Directors of the Company, based on the recommendation of the Audit Committee, has approved the Policy on Related Party Transactions and the same is placed on website of the Company <https://www.paradeepphosphates.com/uploads/content/ppl-rpt-policy-02022026.pdf>.

g. The subsidy mechanism applicable for Urea appropriately recognizes commodity price fluctuations in respect of the required inputs. Similarly, subsidy mechanism under Nutrient Based Subsidy scheme applicable for DAP, MOP and other complex fertilizers and the market realization reflect the fluctuations in the respective commodity prices.

h. The Company has not raised any funds through preferential allotment or qualified institutions placement. However, the Company has allotted the shares to its employees pursuant to PPL ESOP Plan.

i. Certification from a Company secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is attached to this Report.

Directors' Report (Contd.)

- j. The Board has accepted recommendations if any, made by various committees of the Board, in the relevant financial year.
- k. Total fees for all services to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part, is given in Note No. 27(i) to the Financial Statements.
- l. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
- i. number of complaints filed during the financial year: Nil
 - ii. number of complaints disposed off during the financial year: Nil
 - iii. number of complaints pending as on end of the financial year: Nil
- m. The Company has not given any Loans and advances in the nature of loans to firms/companies in which Directors are interested.
- n. The Company has adopted para C and E of Part E of Schedule II of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.
- o. The Company has complied with the corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.
- p. There are no shares in the demat suspense account or unclaimed suspense account.

Pursuant to the Amalgamation of Mangalore Chemicals & Fertilizers Limited (MCFL) with the Company, 187 Fully Paid-Up Equity Shares of ₹10/- each of the Company were issued and allotted for

every 100 Fully Paid-Up Equity Shares of ₹10/- each held in MCFL. If the Shares were held in physical form in MCFL, the same have been moved to PPL Merger Trust Account.

- Aggregate number of shareholders and the outstanding shares in the PPL Merger Trust account lying as on date of allotment, i.e., 03.12.2026 – 9322 shareholders holding 35,39,438 equity shares.
 - Number of shareholders who approached listed entity for transfer of shares from PPL Merger Trust account during the year – Nil
 - Number of shareholders to whom shares were transferred from PPL Merger Trust account during the year – Nil
 - Aggregate number of shareholders and the outstanding shares in the PPL Merger Trust account lying at the end of the year - 9322 shareholders holding 35,39,438 equity shares.
- q. Disclosure of certain types of agreements binding listed entities as per clause 5A of paragraph A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

The details pertaining to an agreement (where the Company is not a party) entered into by the promoter of the Company, namely Zuari Maroc Phosphates Private Limited, with its shareholders, as notified by Zuari Maroc Phosphates Private Limited to the Company in this regard is provided in the below link;

<https://www.paradeepphosphates.com/uploads/content/disclosure-of-information-under-regulation-30-agreement-by-promoter.pdf>

Directors' Report (Contd.)

ANNEXURE - B TO THE DIRECTORS' REPORT

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members,
Paradeep Phosphates Limited

We have examined the compliance of conditions of Corporate Governance by Paradeep Phosphates Limited, for the year ended on 31st March, 2026, as stipulated under various regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedure and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under various regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For **Sunita Jyotirmoy & Associates**
Company Secretaries

Jyotirmoy Mishra
Partner
Membership No.: F 6556
CP No. 6022
UDIN: F006556H000323510

Place: Bhubaneswar
Date : 11/05/2026

ANNEXURE - C TO THE DIRECTORS' REPORT

DECLARATION BY THE MANAGING DIRECTOR

Pursuant to Regulation 26(3) of SEBI (LODR) Regulations, 2015, I, N Suresh Krishnan, Managing Director of Paradeep Phosphates Limited, declare that all Board Members and Senior Executives of the Company have affirmed their compliance with the Code of Conduct and Ethics during the year 2025-26.

N Suresh Krishnan
Managing Director & CEO
DIN: 00021965

Date: 11/05/2026

Directors' Report (Contd.)

ANNEXURE - D TO THE DIRECTORS' REPORT

CERTIFICATE BY A COMPANY SECRETARY IN PRACTICE

[Pursuant to clause (i) of point 10 of para C of Schedule V of Securities and Exchange of Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
Paradeep Phosphates Limited
5th Floor, Orissa State Handloom
Weavers' Co-Operative Building,
Pandit J. N. Marg, Bhubaneswar-751 001.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Paradeep Phosphates Limited ('the Company') bearing CIN: L20122OR1981PLC001020 and having its registered office at 5th Floor, Orissa State Handloom Weavers' Co-operative Building, Pandit J. N. Marg, Bhubaneswar-751001 (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 below mentioned Directors in the Board of the Company Paradeep Phosphates Limited have been disqualified from being appointed or continuing as Directors of the Company by Securities Exchange Board of India or Ministry of Corporate Affairs in writing.

Name	DIN	Date of Appointment in Company
Saroj Kumar Poddar	00008654	05/02/2014
Narayanan Suresh Krishnan	00021965	16/02/2020
Dipankar Chatterji	00031256	03/08/2021
Subhrakant Panda	00171845	31/01/2022
Satyananda Mishra	01807198	04/11/2020
Soual Mohamed	08684762	03/02/2020
Karim Lotfi Senhadji	09311876	31/01/2022
Rita Menon	00064714	27/06/2023
Marco Philippus Ardeshir Wadia	00244357	18/03/2026
Akshay Poddar	00008686	06/11/2025
Ruchira Kamboj	11068450	06/11/2025

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Sunita Jyotirmoy & Associates**
Company Secretaries

Jyotirmoy Mishra

Partner
Membership No.: F 6556
CP No. 6022
UDIN: F006556H000323587

Place: Bhubaneswar
Date : 11/05/2026

Directors' Report (Contd.)

ANNEXURE - E TO THE DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015]

To,
The Members
Paradeep Phosphates Limited
5th Floor, Orissa State Handloom
Weaver's Co-operative Building,
Pandit J. N. Marg, Bhubaneswar-751001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Paradeep Phosphates Limited, (hereinafter called the Company) bearing CIN: L20122OR1981PLC001020, and having its registered office at 5th Floor, Orissa State Handloom Weavers' Co-operative Building, Pandit J. N. Marg, Bhubaneswar-751001. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes listed 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 Paradeep Phosphates Limited ("the Company") for the financial year ended on 31st March, 2026 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 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 & Sweat Equity) Regulations, 2021;
 - e. The Securities and Exchange Board of India (Issue and listing of Non-convertible Securities) Regulations, 2021; (Not applicable to the Company during audit period)
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client; (Not applicable to the Company during audit period)
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;(Not applicable to the Company during audit period) and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations,2018; (Not applicable to the Company during audit period)
- vi. The applicable Labor laws, applicable environmental laws and laws specifically applicable to the Company like :
 - a. The Fertilisers (Control) Order, 1985;
 - b. The Fertiliser (Movement Control) Order, 1973;

Directors' Report (Contd.)

- c. The Fertilizer (Control) (Organic, Inorganic and Mixed) Order, 1985;
- d. Manufacture, Storage & Import of Hazardous Chemicals Rules, 1989
- e. Legal Metrology Act, 2009;
- f. Essential Commodities Act;
- g. Indian Boilers Act;

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

- (a) Secretarial Standards issued by the Institute of Company Secretaries of India;
- (b) Listing regulations with BSE and NSE as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

We further report that

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

We further report that based on the information provided by the Company and its officers during the conduct of the audit, and also on the review of compliance reports by respective department heads and the Managing Director, duly taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes and control mechanisms exist in the Company to monitor and ensure compliance with applicable industry specific laws and other general laws.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and for urgent meetings at shorter notice with proper procedure being followed, 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.

We further report that during the audit period, Hon'ble NCLT, Cuttack Bench, Odisha have approved the scheme of arrangement for the merger of M/s. Mangalore Chemicals & Fertilizers Limited with the Company. The Company has issued and allotted 22,16,23,331 equity shares to the eligible shareholders of the Transferor Company as per the approved scheme of merger.

We further report that during the audit period, the Company has issued Equity shares to eligible employees in accordance to the terms of PPL – Employee Stock Option Plan, 2021.

We further report that during the audit period, the Company has amended the main objects clause of the Memorandum of Association by addition of new Object Clause for generation and distribution of electrical energy.

We further report that during the audit period, a search was conducted by the Customs Department, Goa and they have seized 25,000 MT of technical grade urea imported by the Company for manufacturing of NPK fertilizers for alleged contravention of Customs Act, 1962 read with FTP. However the Company has contested the findings before the concerned authorities and taking applicable legal recourse. The department has provisionally released the seized Technical Grade urea for captive use by the Company in its Goa plant.

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

For **Sunita Jyotirmoy & Associates**
Company Secretaries

Jyotirmoy Mishra

Partner

Membership No.: F 6556

CP No. 6022

UDIN: F006556H000323477

Place: Bhubaneswar

Date : 11/05/2026

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.

Directors' Report (Contd.)

Annexure A

To,

Paradeep Phosphates Limited

5th Floor, Orissa State Handloom

Weaver's Co-operative Building,

Pandit J. N. Marg, Bhubaneswar-751001

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

For **Sunita Jyotirmoy & Associates**

Company Secretaries

Jyotirmoy Mishra

Partner

Membership No.: F 6556

CP No. 6022

UDIN: F006556H000323477

Place: Bhubaneswar

Date : 11/05/2026

Directors' Report (Contd.)

ANNEXURE - F TO THE DIRECTORS' REPORT**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO****(A) Conservation of Energy****(i) The steps taken or impact on conservation of energy**

During the year, the Company continued to implement several energy efficiency projects across its manufacturing facilities to enhance operational efficiency, optimize resource utilization, and reduce energy intensity.

Paradeep Unit

- Variable Frequency Drives (VFD) have been implemented in place of Inlet Guide Vanes (IGV) in the SAP D motor blower system. This modification enables precise control of motor speed based on process requirements, significantly reducing power consumption compared to conventional IGV-based throttling. This initiative is expected to achieve energy savings in the range of 20–40%, depending on operating conditions
- The installation of a new turbo-generator (TG4) with 10 bar steam injection (induction) is in progress and is expected to increase power generation by approximately 3 MW through improved steam utilization and enhanced turbine efficiency.
- The replacement of the conventional steam ejector with a high-efficiency vacuum pump is under implementation. Upon commissioning, the project is expected to eliminate 8.8 TPH of steam consumption and deliver energy savings equivalent to approximately 1.1 MWh, thereby improving overall process efficiency and reducing operating costs.
- In Sulphuric Acid plants, Steam turbine-driven boiler feed water pumps have been replaced with energy-efficient motor-driven units, resulting in a reduction of approximately 15 TPH of high-pressure steam consumption, equivalent to around 2.2 MWh of energy savings.
- The steam ejector in the fifth evaporator concentration section has been replaced with a high-efficiency vacuum pump, eliminating 1.7 TPH of steam consumption and achieving energy savings equivalent to 0.2 MWh.

Goa unit

- Energy Saving Project – Phase 2 (Ammonia Plant) is in the final stage of commissioning and includes the retrofit of the Synthesis Gas Compressor Train and Air Compressor Turbine. The rotary equipment has been supplied by M/s Siemens, while the ASV cooler has been designed and fabricated by M/s ISGEC. Detailed engineering has been carried out by M/s Worley. Upon completion, urea energy consumption is expected to reduce further to 6.1 GCal/MT.
- The Company continues to replace conventional motors with high-efficiency motors and upgrade lighting systems with energy-efficient alternatives across its manufacturing facilities, contributing to lower electricity consumption.

Mangalore unit

- Installation of motor driven boiler feed water pump to replace turbine driven pump, saving steam in Ammonia plant of Mangalore unit.
- Waste heat recovery systems are being implemented on fired heaters to recover heat from flue gases for process heating, thereby improving thermal efficiency and reducing fuel consumption.
- A suction chilling system has been introduced for the CO₂ compressor in the Urea Plant to enhance compressor efficiency and reduce overall power consumption.

(ii) Initiatives for Utilizing Alternate Sources of Energy

The Company continues to strengthen its renewable energy portfolio and optimize the utilization of cleaner energy sources through the following initiatives:

- Steam Air Preheaters at Paradeep Plant: Steam air preheaters have been installed on Fertilizer Plant Trains B and C, utilizing steam generated through the waste heat recovery system. This initiative has eliminated approximately 0.007 MT of furnace oil consumption per tonne of product, resulting in an equivalent reduction of 0.022 MT of CO₂ emissions per tonne of production, while enhancing overall thermal efficiency.

Directors' Report (Contd.)

- **Floating Solar Photovoltaic Plant** A floating solar photovoltaic plant is under installation on two water reservoirs covering an area of approximately 17,340 square metres at the Mangalore plant under a Build-Own-Operate-Transfer (BOOT) model with a 25-year Power Purchase Agreement (PPA). The project is expected to generate around 3.64 million units (kWh) of renewable electricity annually.
- **Wind-Solar Hybrid Group Captive Power Project:** The Company has entered into a long-term Power Purchase Agreement with a Group Captive Renewable Power developer for the establishment of a Wind-Solar Hybrid Group Captive Power Plant in northern Karnataka. The project is expected to supply approximately 14.12 million units of renewable electricity annually, increasing the share of clean energy in the Company's overall power consumption and supporting its decarbonization objectives.

(B) Technology Absorption

1. Efforts, in brief, made towards technology absorption, adaptation and innovation	300 tpd sulphuric acid plant is commissioned waste heat generated from the plant is used in Urea production. - High pressure stripper in Urea plant was replaced with improved metallurgy. - Screw type Compressor is installed for refrigeration in Ammonia storage replacing old compressor. - Energy Management System is upgraded to visualize real-time dashboard displaying electrical energy consumption across the plant. - Implementation of a user-interface enabled software for (i) Work Permit Management and (ii) Tool Crib Management to track and monitor the issuance of the tools and tackles to employees and contractors, its usage worthiness, inspection and testing, and associated statutory compliances. 1.8MW floating solar PV plant is installed on the surface of water reservoirs, thereby generating renewable energy and reducing loss of water due to evaporation.
2. Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution	- Backward integration. - Improved energy efficiency. - Reliability Improvement. - Improvement in Resource management. - Reduction in Green House Gas emissions.

3. The expenditure incurred on Research and Development:

During the year, a sum of ₹ 102.60 Lakh (31 March 2025: ₹ 173.68 Lakh) including capital expenditure of ₹ 3.06 Lakh (31 March 2025: ₹ 53.71 Lakh) was spent on research and development (excluding depreciation charge).

(C) Foreign Exchange earnings & outgo

	(₹ in Lakhs)	
Name of the Director	2025-26	2024-25
Foreign exchange outgo	13,95,340.74	7,63,285.86
Foreign exchange earnings	54,083.77	41,466.35

Directors' Report (Contd.)

ANNEXURE - G TO THE DIRECTORS' REPORT**ANNUAL REPORT ON CSR ACTIVITIES****1. Brief outline on CSR Policy of the Company.**

CSR Policy of the Company includes the plans as mentioned below:

The Corporate Social Responsibility Policy ("CSR Policy") of the Company encompasses the culture of trust and caring while discharging its Social Responsibility to meet the expectation of all stakeholder and society at large. As a responsible corporate, the Company contributes towards inclusive growth and development by empowering communities focusing the Socio-Economic and Environmental requirements.

The CSR policy framework details the mechanism for undertaking various programs in accordance with section 135 of the Companies Act 2013 for the benefit of the community. Over the years CSR project area has expanded to include Aspirational District, Rayagada benefitting tribal communities and plant surrounding locations of Goa and Mangalore. The CSR activities focuses to address key aspects broadly in four categories:

- WaSH, Nutrition & Healthcare
- Education
- Empowerment
- Environment
- Rural Development

The contents of the CSR Policy have been displayed on the Company's website. <https://www.paradeepphosphates.com/pdf/CSR%20Policy.pdf>

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Ms. Rita Menon	Chairperson (Independent Director)	1	1
2.	Mr. N Suresh Krishnan	Member (Managing Director)	1	1
3.	Mr. Karim Lotfi Senhadji	Member (Non-Executive Director)	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company. <https://www.paradeepphosphates.com/investors/corporate-governance>**4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).**

The Company has voluntarily undertaken an impact assessment of the CSR projects implemented by its Mangalore Unit, with a view to evaluate the outcomes, effectiveness and impact of the initiatives undertaken.

The impact assessment was carried out by the School of Social Work, Roshni Nilaya, Mangaluru. The Executive Summary of the Impact Assessment Report is provided below.

The complete Impact Assessment Report is available on the website of the Company at the following link: <https://paradeepphosphates.com/investors/csr-overview>

Directors' Report (Contd.)

"From Vision to Impact: A Longitudinal Study of CSR Initiatives of Paradeep Phosphates Limited, Mangaluru Unit"

The impact assessment study evaluated the effectiveness and long-term outcomes of CSR initiatives implemented by Paradeep Phosphates Limited (PPL), Mangaluru Unit across education, healthcare, sanitation, environment sustainability, community development, agriculture and women empowerment. The study adopted a mixed-method approach involving surveys, interviews, focus group discussions, field observations and institutional assessments across multiple programme years.

The assessment confirmed that PPL's CSR interventions have created significant positive social impact in rural and semi-rural communities by improving access to education, healthcare services, sanitation facilities, livelihood opportunities, environmental awareness, and modern agricultural practices. The initiatives were found to be strongly aligned with national development priorities and the vision of Viksit Bharat.

Programme Impact:

- The Akshara Mithra Education Programme has direct and visible transformation in school infrastructure- 94.3%, learning environment- 85.7%, student participation and teaching effectiveness- 57.1%. The programme improved classroom facilities, furniture, educational resources and overall student engagement, particularly benefiting children from economically weaker rural communities. Improvement trends ranged between 65%–85% in educational infrastructure and admission improvement indicators. Teachers reported improved classroom interaction and better learning conditions after the intervention.
- Swachha Vidyalaya: Enhanced sanitation infrastructure and hygiene practices in schools, particularly improving attendance and comfort of girl students. Sanitation and hygiene indicators including toilet usability, water availability, waste disposal practices and hygiene behaviour showed improvement levels of approximately 70% to 90% across assessed institutions.
- Healthcare & Eye Care Initiatives: Improved access to medical care, preventive health awareness, eye screening and cataract surgeries in underserved rural communities improved by nearly 60% to 80% among beneficiaries through medical camps and eye screening programmes.
- The Drone Project for Women SHGs and Farmers also demonstrated high transformational impact by promoting women empowerment, self-confidence & social recognition and productivity enhancement & agricultural efficiency through technology adopted drone assisted farming practices. The initiative significantly contributed reduction in labour dependency and operational time, along with increased productivity and women empowerment indicators, reflected improvement levels of around 70% to 85% among farmers and SHG members.
- Environmental Sustainability Programmes: Positive biodiversity outcomes through Miyawaki plantations, water conservation structures and environmental awareness initiatives. Biodiversity awareness, environmental participation and water conservation functionality improved by nearly 60% to 75% in intervention areas.
- Community Development & Skill Training: Strengthened livelihood opportunities, SHG participation, vocational skills and socio-economic resilience among women and youth improved by approximately 65% to 80% among targeted beneficiaries.
- Mangala Raita Programme: Increased awareness on modern and sustainable agricultural practices among farmers and students result in exposure to sustainable farming practices improved by around 70% among participating students and farmers.

Key Recommendations:

The study recommended that PPL further strengthen its CSR strategy through:

- Establishing stronger monitoring and impact evaluation systems for long-term measurement of outcomes.
- Enhancing community participation in planning and implementation of CSR programmes.
- Focusing on sustainability and maintenance mechanisms for infrastructure-based projects.
- Expanding capacity-building and livelihood programmes for women, youth and farmers.
- Strengthening partnerships with institutions, local governance bodies, and community organizations for wider outreach and scalability.
- Replicating successful high-impact models such as Akshara Mithra and the Drone Empowerment Programme in additional operational areas.

PPL's CSR initiatives have substantially contributed to community well-being, inclusive development and sustainable social transformation while strengthening the Company's relationship with local stakeholders and rural communities.

Directors' Report (Contd.)

5. (a) Average net profit of the Company as per section 135(5) = ₹ **49,278.01 Lakhs**
 (b) Two percent of average net profit of the Company as per section 135(5) = ₹ **985.56 Lakhs**
 (c) Surplus arising out of the CSR projects or programs or activities of the previous financial years. = **NIL**
 (d) Amount required to be set off for the financial year, if any = **NIL**
 (e) Total CSR obligation for the financial year [(b)+(c) -(d)] = ₹ **985.56 Lakhs***

** Pursuant to the Scheme of Amalgamation of Mangalore Chemicals & Fertilizers Limited with the Company, with an appointed date of 1 April 2025, the CSR obligation has been recalculated based on the restated financial statements and accordingly amounts to ₹985.56 lakhs.*

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) = ₹ **1246.57 Lakhs**
 (b) Amount spent in Administrative Overheads = ₹ **31.25 Lakhs**
 (c) Amount spent on Impact Assessment, if applicable = ₹ **19.06 Lakhs**
 (d) Total amount spent for the Financial Year [(a)+(b) +(c)] = ₹ **1296.88 Lakhs** #
 (e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount in ₹	Date of transfer	Name of the Fund	Amount.	Date of transfer.
1296.88 Lakhs	NIL	NA	NA	NA	NA

- (f) Excess amount for set off, if any NIL (refer Note below)

Sl. No.	Particular	Amount (₹ in Lakhs)
(i)	Two percent of average net profit of the Company as per section 135(5)(after setoff)	985.56
(ii)	Total amount spent for the Financial Year	1296.88 [#]
(iii)	Excess amount spent for the financial year [(ii)-(i)]	311.32
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL [@]

Note:

[#]The CSR expenditure incurred during the financial year was approved and undertaken based on the standalone net profits of the respective companies prior to the amalgamation. Accordingly, the Company and Mangalore Chemicals & Fertilizers Limited incurred CSR expenditure independently before the Scheme became effective. Pursuant to the Scheme of Amalgamation, the CSR obligation has been recomputed based on the restated financial statements (appointed date: **April 1, 2025**). Consequently, the actual CSR expenditure of ₹**1,296.88 lakhs** exceeds the recomputed CSR obligation of ₹**985.56 lakhs**.

[@] The Company does not propose to carry forward or claim the excess CSR expenditure as a set-off against CSR obligations of subsequent financial years. Accordingly, the amount available for set-off in succeeding financial years is disclosed as Nil.

Directors' Report (Contd.)

7. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (₹ in Lakh)	Amount spent in the reporting Financial Year (₹ in Lakh)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of Transfer	
1	FY 2025-26	NIL	-	-	NA	-	-
2	FY 2024-25	NIL	-	-	NA	-	-
3	FY 2023-24	85.26	85.26	NA	NA	NA	NA

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

No

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5) :

Not Applicable

Rita Menon

Chairperson -CSR committee

N. Suresh Krishnan

Member -CSR Committee

Date: 11/05/2026

Directors' Report (Contd.)

ANNEXURE - H TO THE DIRECTORS' REPORT**A. Statement of particulars pursuant to the provisions of section 197(12) read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014.****I The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2025-26:**

Sl. No.	Name of the Director	Ratio of the remuneration to the median remuneration of the employees
1	Saroj Kumar Poddar	-
2	Akshay Poddar @	-
3	N Suresh Krishnan	67.76
4	Soual Mohamed	-
5	Karim Lotfi Senhadji	-
6	*Rita Menon	-
7	*Satyananda Mishra	-
8	*Dipankar Chatterji	-
9	*Subhrakant Panda	-
10	*Ruchira Kamboj @	-
11	Marco Wadia #	-

@ w.e.f. 06.11.2025, # w.e.f. 18.03.2026

*Were paid sitting fees for attending meetings and remuneration as approved by the members in the AGM held on 12.09.2022.

II The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year:

Sl. No.	Name of the Director	Percentage increase in remuneration
1	Saroj Kumar Poddar	Nil
2	Akshay Poddar @	Nil
3	N Suresh Krishnan	16%
4	Soual Mohamed	Nil
5	Karim Lotfi Senhadji	Nil
6	Rita Menon	Nil
7	Satyananda Mishra	Nil
8	Dipankar Chatterji	Nil
9	Subhrakant Panda	Nil
10	Ruchira Kamboj @	Nil
11	Marco Wadia #	Nil
12	Sachin Patil	12%
13	Bijoy Kumar Biswal	12%

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

8.3 %

IV The number of permanent employees on the rolls of Company:

There are 2163 permanent employees on the rolls of the Company

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

The median increase in remuneration to employees other than Managerial Personnel was 8.27%

VI It is hereby affirmed that the remuneration paid is as per the Remuneration policy of the Company

For and on behalf of the Board of Directors,

Saroj Kumar Poddar

Chairman

DIN: 00008654

Date: 11/05/2026

Directors' Report (Contd.)

ANNEXURE - I TO THE DIRECTORS' REPORT

FORM NO. AOC. 1

Statement containing salient features of the financial statement of Joint Ventures
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

Not Applicable

Part "B": Joint Ventures/Associates

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	Zuari Yoma Agri Solutions Limited
1. Latest un-audited Balance Sheet Date	31 st March 2026
2. Shares of Associate / Joint Ventures held by the Company on the year end Number .	512500
Amount of Investment in Joint Venture	\$ 512,500
Extend of Holding %	50%
3. Description of how there is significant influence	Based on the percentage of holding in the Joint Venture
4. Reason why the joint venture is not consolidated	NA
5. Net worth attributable to Shareholding as per latest audited Balance Sheet	2861696563 in KYAT
6. Profit / Loss for the year	
i. Considered in Consolidation	19343448 in KYAT
ii. Not Considered in Consolidation	19343448 in KYAT

Names of associates or joint ventures which are yet to commence operations - Nil

Names of associates or joint ventures which have been liquidated or sold during the year - Nil.

For and on behalf of the Board of Directors,

Saroj Kumar Poddar

Chairman

DIN: 00008654

Date: 11/05/2026

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Financial Statements

Independent Auditors' Report

To the Members of **Paradeep Phosphates Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **Paradeep Phosphates Limited** (the "Company") which comprise the standalone balance sheet as at 31 March 2026, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information.

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 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have

obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Emphasis of Matter

- a. We draw attention to Note 44(a) to the standalone financial statements which describes the overall accounting for and in particular basis for restatement of the comparatives for the year ended 31 March 2025 by the Company's management consequent to the Scheme of arrangement ("Scheme") for amalgamation of MCFL with the Company. The Scheme has been approved by the NCLT vide its order dated 26 September 2025 with appointed date of 01 April 2024 and a certified copy has been filed by the Company with the Registrar of Companies, Odisha and Karnataka, on 16 October 2025. We further draw attention to the fact that in accordance with the Scheme approved by the NCLT, the Company has given effect to the Scheme from the retrospective appointed date specified therein i.e. 01 April 2024 which overrides the relevant requirement of Ind AS 103 "Business Combinations" (according to which the Scheme would have been accounted for from 16 October 2025 which is the date of acquisition as per the aforesaid standard). The financial impact of the aforesaid treatment has been disclosed in the aforesaid note.

Our opinion is not modified in respect of this matter.

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.

Recognition of subsidy revenue

See Note 20 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
The Company recognizes the subsidy revenue from the Department of Fertilisers, Government of India ("GoI"). The revenue is recognised as per Nutrient Based Subsidy Policy ("NBS Policy") for Phosphatic and Potassic fertilisers and New Pricing Scheme for Urea at the time of sale of goods to its customers.	In view of the significance of the matter, we performed the following procedures: - evaluated the design, implementation and operating effectiveness of internal controls for recognition and recoverability of subsidy revenue - read the relevant notifications and circulars issued by the GoI from time to time with regard to subsidy policies - tested the subsidy rates considered by the Company for the product subsidy with the applicable circulars and notifications and relevant available pricing data of fertilisers and raw materials

The key audit matter

Subsidy revenue is recognized on the basis of rates notified from time to time by the Department of Fertilisers, Government of India in accordance with NBS Policy and New Pricing Scheme. It is recognised on the basis of quantity of fertilisers sold by the Company. Further, recognition and realisability of subsidy income is subject to various conditions as per the GoI Policy. During the year, the Company has recognised ₹ 1,162,505.61 lakhs as subsidy revenue and out of this an amount of ₹ 384,728.31 lakhs is receivable as on 31 March 2026.

In view of the significance of subsidy revenue and significant judgements involved around the interpretation and satisfaction of conditions specified in GoI policy, we have considered recognition of subsidy income as a key audit matter.

How the matter was addressed in our audit

- reconciled the sales quantity considered for subsidy revenue with the actual sales quantity made by the Company
- reconciled the quantities considered for estimation of subsidy revenue with quantities as per Integrated Fertilizer Management System
- evaluated the Company's assessment regarding compliances with relevant conditions as specified in the notifications and policies relating to subsidy
- understood and challenged the basis of judgements made in relation to the relevant notifications/circulars including past precedence and subsequent evidence, as applicable

Accounting for business combination

See Note 44(a) to standalone financial statements

The key audit matter

During the year ended 31 March 2026, the Company completed the acquisition of Mangalore Chemicals & Fertilizers Limited pursuant to the approval of Scheme of Arrangement by National Company Law Tribunal with an appointed date of 1 April 2024.

The Company has accounted for this acquisition as a business combination as per Ind AS 103 with effect from the appointed date.

The Company carried out a purchase price allocation as of the acquisition date. It accounted for its assets, liabilities and disclosed contingent liabilities as of the acquisition date. The excess of purchase price paid over net assets has been recognized as goodwill.

The Company has involved external valuers for determination of fair value of land, buildings and other property, plant and equipment using relevant valuation models.

Given the complexity and judgements involved in fair value measurement of the acquisition, we have considered this as a key audit matter.

How the matter was addressed in our audit

Our audit procedures included the following:

- Read the approved scheme of arrangement to understand the key terms and conditions.
- Assessed the accounting treatment followed is in compliance with Ind AS 103.
- Inspected work of the experts by examining the valuation reports.
- Evaluated the purchase price allocation and checked valuation of tangible assets by involving our internal valuation specialists.
- Assessed the adequacy of the Company's disclosure is in line with Ind AS 103.

Impairment of Goodwill

See Note 44(b) to standalone financial statements

The key audit matter

The Company tests goodwill for impairment of Goa plant annually or more frequently when there is an indication of impairment of the cash generating unit to which goodwill relates.

The annual impairment testing of goodwill involves significant estimates and judgment due to the inherent uncertainty involved in forecasting and discounting future cash flows. Accordingly, impairment assessment of goodwill is considered a key audit matter

How the matter was addressed in our audit

Our audit procedures relating to impairment testing included the following:

- Evaluated design and implementation and tested operating effectiveness of controls.
- Assessed the valuation methodology and challenged the assumptions such as discount rate, revenue growth rate, terminal growth rate used with the assistance of our valuation specialists.
- Evaluated the adequacy of disclosures in respect of the same in the financial statements.

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

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's directors' report, but does not include the financial statements and auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are 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 state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Other Matter

- a. The corresponding amounts for the year ended 31 March 2025, in so far it pertains to the transferor company, which has been accounted as stated in Note 44(a), are based on the audited financial statements of the transferor Company (prior to recognition of adjustments in accordance with requirements of Ind AS 103 "Business Combinations", which have been audited by us) for the year ended 31 March 2025 that were audited by another auditor who had expressed an unmodified opinion on 7 May 2025. Further, the adjustments for the accounting effects of the Scheme have been audited by us.

Our opinion is not modified in respect of this matter.

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 paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 A. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c. The standalone balance sheet, the standalone statement of profit and loss (including other

comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

- d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on 31 March 2026 and 1 April 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.
- f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company has disclosed the impact of pending litigations as at 31 March 2026 on its financial position in its standalone financial statements - Refer Note 29 to the standalone financial statements.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d. (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 43(b) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 43(b) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) 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 (i) and (ii) above, contain any material misstatement.
- e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.
- As stated in Note 13 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.
- f. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which

has a feature of recording audit trail (edit log) facility except that that audit trail was not enabled at the database level for accounting software to log any direct data changes. For accounting software for which audit trail feature is enabled, the audit trail facility has been operating throughout the year for all relevant transactions recorded in the software and we did not come across any instance of audit trail feature being tampered with during the course of our audit. Additionally, where audit trail (edit log) facility was enabled and operated in previous years, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Jayanta Mukhopadhyay
Partner

Membership No.: 055757
ICAI UDIN:26055757JQPPGB9606

Place: Bengaluru
Date: 11 May 2026

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Paradeep Phosphates Limited for the year ended 31 March 2026

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this

programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value (₹ in lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Freehold land	27.94	Not available	Not applicable	1982-85	Delay on account of administrative formalities
Freehold land	60,450.36	Mangalore Chemicals & Fertilizers Limited	No	2025-26	Acquired under scheme of arrangement, pending adjudication

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, 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.
- (ii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments in other parties, in respect of which the requisite information is as below. The Company has not made any investments in companies, firms or limited liability partnership.
- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured

to companies, firms, limited liability partnership or any other parties during the year. Accordingly, clause 3(iii)(a) of the Order is not applicable.

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year are, prima facie, not prejudicial to the interest of the Company. The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. Accordingly, clause 3(iii)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. Accordingly, clause 3(iii)(d) of the Order is not applicable.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. Accordingly, clause 3(iii)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. Accordingly, clause 3(iii)(f) of the Order is not applicable.
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and

therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.

- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income-tax Act, 1961	Income tax demand	11.18	2015-16	Commissioner of Income Tax (Appeals)	
Income-tax Act, 1961	Income tax demand	157.31*	2013-14	Karnataka High Court	*Net of amount paid under protest of ₹ 200.73 lakhs

Name of the statute	Nature of the dues	Amount (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Orissa Value Added Tax	Disallowance of input tax credit	47.80	April 2016 – June 2017	Sales Tax Appellate Tribunal	*Net of amount paid under protest of ₹ 4.16 lakhs
Central Sales Tax Act, 1956	Demand of central sales tax	15.44	2013-14	Sales Tax Appellate Tribunal	*Net of amount paid under protest of ₹ 36.04 lakhs
Orissa Entry Tax Act, 1999	Entry Tax Penalty	178.79	October 2010 to March 2012	Joint Commissioner of CT & GST, Paradeep	
Orissa Entry Tax Act, 1999	Entry Tax Interest	1,544.47*	2007 to 2012, 2014 to September 2015	Orissa High Court	*Net of amount paid under protest of ₹ 508 lakhs
Orissa Entry Tax Act, 1999	Entry Tax Demand	418.70	March 2006 to July 2008	Orissa High Court	
Orissa Entry Tax Act, 1999	Entry Tax Demand	5,304.74	2002-03 to September 2015	National Company Law Appellate Tribunal	
Customs Act, 1962	Demand on rejection of transaction value on import of MOP	63.92*	2006 to 2008	Customs Excise and Service Tax Appellate Tribunal	*Net of amount paid under protest of ₹ 7.10 lakhs
Customs Act, 1962	Denial of concessional rate basic custom duty	284.74	2001-2006	Customs Excise and Service Tax Appellate Tribunal	
Customs Act, 1962	Denial of concessional rate basic custom duty	148.28	2002-2004	Customs Excise and Service Tax Appellate Tribunal	
Customs Act, 1962	Demand on incorrect classification	298.56*	2011-12 to 2016-17	Customs Excise and Service Tax Appellate Tribunal	*Net of amount paid under protest of ₹ 13.55 lakhs
Customs Act, 1962	Demand on incorrect classification	20.35*	2017-18	Additional Commissioner of Customs, Nhava Sheva	*Net of amount paid under protest of ₹ 1.65 lakhs
Customs Act, 1962	Demand on incorrect classification	50.57*	2018-19	Commissioner of Customs, Nhava Sheva	*Net of amount paid under protest of ₹ 4.10 lakhs
Customs Act, 1962	Demand on incorrect classification	44.97	2017-18	Commissioner of Customs, Vijayawada	
Central Excise Act, 1944	Demand on incorrect classification of micronutrient s	615.00*	April 2012 to March 2016	Customs Excise and Service Tax Appellate Tribunal	*Net of amount paid under protest of ₹ 23.96 lakhs
Finance Act, 1994	Demand on classification dispute	8.64*	2014-15	Customs Excise and Service Tax Appellate Tribunal	*Net of amount paid under protest of ₹ 0.63 lakh
Finance Act, 1994	Demand on classification dispute	5.71*	2013 to 2016	Customs Excise and Service Tax Appellate Tribunal	*Net of amount paid under protest of ₹ 0.51 lakh
Central Goods and Services Tax Act, 2017	Goods and services tax demand	313.80*	2017-18 to 2022-23	Addl. Commissioner Appeals (GST)	*Net of amount paid under protest of ₹ 19.82 lakhs
Central Goods and Services Tax Act, 2017	Goods and services tax demand	1,291.43	2017-18 to 2022-23	The Company is in the process of filing an appeal	*Net of amount paid under protest of ₹ 67.97 lakhs
Central Goods and Services Tax Act, 2017	Goods and services tax demand	215.82*	2017-18	Additional Commissioner Appeals, CT & GST	*Net of amount paid under protest of ₹ 11.36 lakhs

Name of the statute	Nature of the dues	Amount (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Central Goods and Services Tax Act, 2017	Goods and services tax demand	1.28*	2017-18 to 2022-23	Addl. Commissioner CT & GST, Bhubaneswar	*Net of amount paid under protest of ₹ 0.02 lakh
Central Goods and Services Tax Act, 2017	Goods and services tax demand	448.00*	2021-22 and 2022-23	Addl Commissioner CT & GST, Bhopal	*Net of amount paid under protest of ₹ 23.58 lakhs
Odisha Irrigation Act, 1959	Interest on water charges	5,804.64	2008-2026	Orissa High Court	

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associate as defined under the Act.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its associate Company (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons

connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us, the Group (as defined in the regulations made by the Reserve Bank of India) does not have more than one CIC.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the

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

- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Jayanta Mukhopadhyay

Partner

Membership No.: 055757

ICAI UDIN:26055757JQPPGB9606

Place: Bengaluru

Date: 11 May 2026

Annexure B to the Independent Auditor's Report on the standalone financial statements of Paradeep Phosphates Limited for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Paradeep Phosphates Limited ("the Company") as of 31 March 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 with reference to financial statements based on our audit. We conducted our audit in accordance with

the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted

accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to

future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Jayanta Mukhopadhyay

Partner

Membership No.: 055757

ICAI UDIN:26055757JQPPGB9606

Place: Bengaluru

Date: 11 May 2026

Standalone Balance Sheet

as at 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

	Notes	As at 31 March 2026	As at 31 March 2025 Refer note 44(a)
ASSETS			
I. Non-current assets			
(a) Property, plant and equipment	4(a)	579,314.21	496,460.26
(b) Right-of-use assets	4(c)	2,974.72	2,980.57
(c) Capital work-in-progress	4(b)	42,371.40	58,434.35
(d) Goodwill		14,134.26	13,910.15
(e) Other intangible assets	4(d)	6,201.12	6,023.63
(f) Investment in associate	5(a)	365.61	365.61
(g) Financial assets			
(i) Investments	5(b)	329.50	–
(ii) Other financial assets	11	2,404.96	–
(h) Income tax assets(net)		3,895.89	5,284.06
(i) Other non-current assets	6	5,220.80	13,951.02
Total non-current assets		657,212.47	597,409.65
II. Current assets			
(a) Inventories	7	462,669.87	255,632.65
(b) Financial assets			
(i) Investments	5(b)	1,769.52	26,909.79
(ii) Trade receivables	8	479,049.08	306,697.69
(iii) Cash and cash equivalents	9	36,344.81	93,450.32
(iv) Bank balances other than (iii) above	10	2,807.38	10,178.78
(v) Other financial assets	11	65,050.06	59,005.84
(c) Other current assets	6	88,688.23	77,591.73
Total current assets		1,136,378.95	829,466.80
Total assets (I+II)		1,793,591.42	1,426,876.45
EQUITY AND LIABILITIES			
I. Equity			
(a) Equity share capital	12	103,817.06	81,521.01
(b) Other equity	13	574,448.77	506,012.59
Total equity		678,265.83	587,533.60
II. Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	14(a)	81,580.72	85,312.71
(ii) Lease liabilities	14(b)	3,055.50	3,400.06
(iii) Other financial liabilities	15	22.36	86.94
(b) Provisions	16	5,782.99	3,973.59
(c) Deferred tax liabilities (net)	17	34,325.92	31,970.78
Total non-current liabilities		124,767.49	124,744.08
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	14(c)	605,651.60	421,030.41
(ii) Lease liabilities	14(b)	339.94	232.09
(iii) Trade payables	18		
– Total outstanding dues of micro enterprises and small enterprises		7,199.09	4,555.10
– Total outstanding dues of creditors other than micro enterprises and small enterprises		301,247.55	225,664.25
(iv) Other financial liabilities	15	40,448.28	34,725.05
(b) Other current liabilities	19	22,268.72	16,866.15
(c) Provisions	16	10,473.58	9,180.71
(d) Current tax liabilities (net)		2,929.34	2,345.01
Total current liabilities		990,558.10	714,598.77
Total liabilities (1+2)		1,115,325.59	839,342.85
Total equity and liabilities (I+II)		1,793,591.42	1,426,876.45

Material accounting policies

2

The accompanying notes form an integral part of these standalone financial statements.

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

Jayanta Mukhopadhyay

Partner

Membership No: 055757

Place: Bengaluru

Date: 11 May 2026

For and on behalf of the Board of Directors of

Paradeep Phosphates Limited

CIN: L20122OR1981PLC001020

N. Suresh Krishnan

Managing Director

DIN: 00021965

Place: Bengaluru

Date: 11 May 2026

Sachin Patil

Company Secretary

Place: Bengaluru

Date: 11 May 2026

S.K. Poddar

Chairman

DIN: 00008654

Place: Bengaluru

Date: 11 May 2026

Bijoy Kumar Biswal

Chief Financial Officer

Place: Bengaluru

Date: 11 May 2026

Standalone Statement of Profit and Loss

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

	Notes	For the year ended 31 March 2026	For the year ended 31 March 2025 Refer note 44(a)
Income			
I. Revenue from operations	20	2,182,634.02	1,695,864.76
II. Other income	21	14,657.50	14,804.37
III. Total income (I+II)		2,197,291.52	1,710,669.13
IV. Expenses			
Cost of raw materials consumed	22	1,324,746.92	1,030,390.22
Purchase of stock-in-trade		395,696.25	177,001.32
Changes in inventories of finished goods, stock-in-trade and work in progress	23	(107,185.10)	(16,011.37)
Employee benefits expense	24	33,668.36	32,057.70
Finance costs	25	52,778.24	44,317.74
Depreciation and amortisation expense	26	40,319.66	34,429.00
Other expenses	27	320,480.60	317,325.05
Total expenses (IV)		2,060,504.93	1,619,509.66
V. Profit before exceptional item and tax (III-IV)		136,786.59	91,159.47
VI. Exceptional item		(3,941.71)	–
VII. Profit before tax (V+VI)		132,844.88	91,159.47
VIII. Tax expense			
– Current tax	17	31,072.64	22,873.47
– Income tax credit for the earlier years (net)	17	(570.06)	(479.45)
– Deferred tax charge	17	2,657.90	2,479.85
Total tax expense		33,160.48	24,873.87
IX. Profit for the year (VII-VIII)		99,684.40	66,285.60
X. Other comprehensive income / (loss) (net of tax)			
Items that will not be reclassified to profit or loss			
a) Remeasurement gain/(loss) of the defined benefit plans		481.60	(711.49)
b) Income tax on above	17	(121.22)	179.11
Total other comprehensive income/(loss) for the year		360.38	(532.38)
XI. Total comprehensive income for the year (IX + X)		100,044.78	65,753.22
XII. Earnings per equity share (nominal value of ₹ 10 each)			
Basic [in ₹]	28	9.61	6.39
Diluted [in ₹]	28	9.60	6.39

Material accounting policies

2

The accompanying notes form an integral part of these standalone financial statements.

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

Jayanta Mukhopadhyay

Partner

Membership No: 055757

Place: Bengaluru

Date: 11 May 2026

For and on behalf of the Board of Directors of

Paradeep Phosphates Limited

CIN: L20122OR1981PLC001020

N. Suresh Krishnan

Managing Director

DIN: 00021965

Place: Bengaluru

Date: 11 May 2026

Sachin Patil

Company Secretary

Place: Bengaluru

Date: 11 May 2026

S.K. Poddar

Chairman

DIN: 00008654

Place: Bengaluru

Date: 11 May 2026

Bijoy Kumar Biswal

Chief Financial Officer

Place: Bengaluru

Date: 11 May 2026

Standalone Statement of Cash Flows

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

	For the year ended 31 March 2026	For the year ended 31 March 2025 [Refer Note 44(a)]
A. Cash flows from operating activities		
Profit before tax	132,844.88	91,159.47
Adjustments for		
Depreciation and amortisation expense	40,319.66	34,429.00
Finance costs	48,249.32	39,714.32
Interest income	(2,585.57)	(4,047.66)
Profit on sale of current investments	(5,882.58)	(3,188.20)
Loss on sale / discard of property, plant and equipment (net)	5,615.47	2,394.24
Loss allowance	1,939.57	941.81
Bad debts, claims and advances written off	7.26	389.22
Unspent liabilities/provision no longer required written back	(411.58)	(1,256.61)
Foreign exchange fluctuation loss unrealized (net)	1,886.23	120.93
Expenses on account of share based payment	89.08	236.50
Operating cash flow before working capital changes	222,071.74	160,893.02
Changes in working capital		
Increase in inventories	(203,838.65)	(55,481.11)
(Increase)/decrease in trade receivables	(172,595.62)	21,559.08
Increase in financial and other assets	(577.97)	(6,926.70)
Increase in trade payables and other current liabilities	79,194.77	64,629.73
Increase in provisions	3,513.27	170.90
Cash generated from/(used in) operating activities	(72,232.46)	184,844.92
Less: Income taxes paid (net of refunds)	(28,954.06)	(20,058.06)
Net cash generated from/(used in) operating activities (A)	(101,186.52)	164,786.86
B. Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	170.46	31.44
Acquisition of property, plant and equipment, including capital work in progress, capital advances and capital creditors	(86,780.04)	(45,763.90)
Investments in equity shares made during the year	(329.50)	-
Purchase of business	(7,275.00)	-
Investments in current investments - mutual funds	(1,067,466.69)	(619,597.56)
Proceeds from sale of current investments - mutual funds	1,098,489.54	595,876.07
Interest received	2,670.06	3,217.73
Proceeds from /Investment in deposits with maturity of more than three months	4,772.38	(3,201.46)
Net cash used in investing activities (B)	(55,748.79)	(69,437.68)
C. Cash flows from financing activities		
Proceeds from issue of share capital	539.64	264.68
Proceeds from non-current borrowings	41,515.91	47,310.74
Repayment of non-current borrowings	(42,091.56)	(63,710.14)
Proceeds from current borrowings	2,185,467.63	1,392,861.94
Repayment of current borrowings	(2,040,064.76)	(1,372,757.70)
Dividend paid	(9,941.27)	(5,851.69)
Repayment of lease liabilities including interest thereon	(887.37)	(550.34)
Interest paid	(34,708.42)	(36,481.08)
Net cash generated from/(used in) financing activities (C)	99,829.80	(38,913.59)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(57,105.51)	56,435.59
Cash and cash equivalents at the beginning of the year	93,450.32	9,071.79
Effects of business combination [Refer Note 44(a)]	-	27,942.94
Cash and cash equivalents at the end of the year (refer Note 9)	36,344.81	93,450.32

The cashflow from operating activities in the above standalone statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 Statement of Cash Flows.

The accompanying notes form an integral part of these standalone financial statements.

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

Jayanta Mukhopadhyay

Partner

Membership No: 055757

Place: Bengaluru

Date: 11 May 2026

For and on behalf of the Board of Directors of

Paradeep Phosphates Limited

CIN: L20122OR1981PLC001020

N. Suresh Krishnan

Managing Director

DIN: 00021965

Place: Bengaluru

Date: 11 May 2026

Sachin Patil

Company Secretary

Place: Bengaluru

Date: 11 May 2026

S.K. Poddar

Chairman

DIN: 00008654

Place: Bengaluru

Date: 11 May 2026

Bijoy Kumar Biswal

Chief Financial Officer

Place: Bengaluru

Date: 11 May 2026

Standalone Statement of Changes in Equity

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

(a) Equity share capital

Particulars	As at 31 March 2026		As at 31 March 2025 [Refer Note 44(a)]	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	815,210,093	81,521.01	814,778,646	81,477.86
Shares issued during the year (Refer Note 12)	222,960,501	22,296.05	431,447	43.14
Balance at the end of the year	1,038,170,594	103,817.06	815,210,093	81,521.01

(b) Other equity

Particulars	As at 31 March 2026					As at 31 March 2025 [Refer Note 44(a)]						
	Retained earnings	Securities premium	Shares suspense account	Share application money pending allotment	Share option outstanding reserve	Total other equity	Retained earnings	Securities premium	Shares suspense account	Share application money pending allotment	Share option outstanding reserve	Total other equity
Balance at the beginning of the year	261,041.34	73,782.30	170,649.96	70.69	468.30	506,012.59	201,129.74	73,540.11	-	-	333.28	275,003.13
On account of business combination [refer Note no 44(a)]	-	-	-	-	-	-	-	-	170,649.96	-	-	170,649.96
Restated balance at the beginning of the year	261,041.34	73,782.30	170,649.96	70.69	468.30	506,012.59	201,129.74	73,540.11	170,649.96	-	333.28	445,653.09
Total comprehensive income for the year												
Profit for the year	99,684.40	-	-	-	-	99,684.40	66,285.60	-	-	-	-	66,285.60
Other comprehensive income for the year *	360.38	-	-	-	-	360.38	(532.38)	-	-	-	-	(532.38)
Total	100,044.78	-	-	-	-	100,044.78	65,753.22	-	-	-	-	65,753.22
Transactions with owners of the company												
On account of issue of equity shares pursuant to merger (refer Note no 12)	-	148,487.63	(170,649.96)	-	-	(22,162.33)	-	-	-	-	-	-
Dividend paid	(9,941.27)	-	-	-	-	(9,941.27)	(5,851.69)	-	-	-	-	(5,851.69)
Share application money pending allotment	-	-	-	(70.69)	-	(70.69)	-	-	-	70.69	-	70.69
Premium received on issue of shares/pending allotment during the year	-	476.61	-	-	-	476.61	-	242.19	-	-	-	242.19
Equity settled share based payments	-	-	-	-	89.08	89.08	-	-	-	-	236.50	236.50

Date: 11 May 2026

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Corporate and General Information

Paradeep Phosphates Limited ('the Company') is a public Company domiciled and headquartered in Bhubaneswar, India. It is incorporated under the Companies Act, 1956. The Company is primarily engaged in the manufacture of Urea, Di-Ammonium Phosphate (DAP), Complex Fertilizers of NPK grades, and Zypmite (Gypsum based product) having its manufacturing facilities at the port town of Paradeep, District Jagatsinghpur, Odisha, at Zuari Nagar, Goa, at port town Mangaluru and at Mahad of Maharashtra. The Company is also involved in trading of fertilizers, ammonia, neutralized phospo gypsum, micronutrient, power and other materials. The Company caters to the demands of farmers all over the country through its "Navratna", "Jai Kisaan" & "Mangala" brand of fertilizers. The Company has one associate incorporated in Myanmar under the name of Zuari Yoma Agri Solutions Limited.

1. Basis of preparation

- (a) These financial statements are prepared in accordance with Indian Accounting Standards (IND AS), under the historical cost convention on the accrual basis, except for certain financial instruments which are measured at fair values and net defined benefit (asset)/ liability which is measured at at present value of defined benefit obligations less fair value of plan assets, notified under the provisions of the Companies Act 2013 ("the Act") to the extent applicable. The Company has prepared these financial statements to comply in all material respects with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 ("the Act"), read with Rule 3 of the Companies (Indian Accounting Standards), Rule, 2015 and relevant amendment rules issued thereafter.

The accounting policies have been consistently applied to all the years except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy. "

- (b) These Standalone Financial Statements are presented in Indian Rupees ("₹"), which is also the Company's functional and presentation currency. All amounts have been rounded off to the nearest lakhs, unless otherwise indicated.

2. Material accounting policies

(i) Classification of assets and liabilities into current/non-current

Assets and Liabilities in the balance sheet have been classified as either current or non-current.

An asset has been classified as current if (a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is expected to be realized within twelve months after the reporting date; or (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets have been classified as non-current.

A liability has been classified as current when (a) it is expected to be settled in the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is due to be settled within twelve months after the reporting date; or (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. All other liabilities have been classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company has identified twelve months as its operating cycle.

(ii) Property, plant and equipment

Property, plant and equipment (PPE) are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, freight, duties, taxes, borrowing costs, if recognition criteria are met, and any directly attributable cost incurred to bring the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. Replaced assets held for disposal are stated at lower of their carrying amount and fair value less costs to sell, and depreciation on such assets ceases and shown under "Assets held for sale".

Items of stores and spares that meet the definition of PPE are capitalized at cost. Otherwise, such items are classified as inventories.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Gains or losses arising from derecognition of the assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized."

Expenditure on new projects and substantial expansion

Expenditure directly relating to construction activity is capitalized. Other indirect expenditure incurred during the construction period which are not related to the construction activity nor are incidental thereto are charged to the statement of profit and loss. Income earned during construction period, if any, is deducted from the total of the indirect expenditure.

(iii) Depreciation on property, plant and equipment

- Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the Management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset. The Company has used the following useful life to provide depreciation on its property, plant and equipment based on technical evaluation done.

Class of Assets	Useful Lives estimated by the management (Years)	Useful Lives as per Schedule II to the Companies Act, 2013 (Years)
Buildings	30/60	30/60
Roads and culverts	3 to 5	3 to 5
Plants and equipments (Continuous process plant)	25	25
Plant and equipments (Non continuous process)	5 to 20	15
Furniture, Fixtures & fittings	2 to 10	10
Vehicles	8	8
Office equipments	3 to 6	3 to 6
Railway siding	15	15

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate component of property, plant and equipment. These are estimated by the management supported by independent assessment by professionals.

The Company has used the following useful life to provide depreciation on its property, plant and equipment relating Goa plant acquired as on 1 June 2022 based on technical evaluation done.

Class of Assets	Useful Lives estimated by the management (Years)
Buildings	11 to 43
Plants and equipments	More than 1 and upto 25
Furniture, Fixtures & fittings	More than 1 and upto 10
Vehicles	More than 1 and upto 10
Office equipments	More than 1 and upto 6
Railway siding	3 to 30

The Company has used the following useful life to provide depreciation on its property, plant and equipment relating Mangalore plant acquired as on 1 April 2024 based on technical evaluation done.

Class of Assets	Useful Lives estimated by the management (Years)
Buildings	5 to 60
Roads and culverts	5 to 30
Plants and equipments	10 to 25
Furniture, Fixtures & fittings	10
Vehicles	8 to 10
Office equipments	5 to 15
Railway siding	15

- Premium on land held on leasehold basis considered as Right of Use Asset is amortized over the period of lease.
- The classification of plant and machinery into continuous and non-continuous process is done as per technical certification by the management and depreciation thereon is provided accordingly.
- The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(iv) Intangible assets and amortisation

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets with finite lives are amortised on a straight line basis over the estimated useful economic life. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least once at the end of each reporting

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

period. If the expected useful life of the asset is different from previous estimates, the amortization period is changed accordingly. If there has been a change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with Ind AS-8 "Accounting Policies, Changes in Accounting Estimates and Errors".

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

The following are the acquired intangible assets:

Software:

The management of the Company assessed the useful life of software as finite and cost of software is amortized over their estimated useful life of three years on straight line basis.

(v) Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset (except inventories and deferred tax assets) may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset). The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(vi) Leases

At inception of the contract, the Company assesses whether a contract is, or contains, a lease. 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:

- The contract involves use of an identified asset, whether specified explicitly or implicitly;

- The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use;
- The Company has right to direct the use of the asset by either having right to operate the asset or the Company having designed the asset in a way that predetermines how and for what purpose it will be used.

Accounting as a lessee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made on or before the commencement date, plus any initial direct costs incurred and an estimate of cost to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

The right-of-use asset is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated using straight line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of lease term. The estimates of useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The lease liability is subsequently measured at amortised cost. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payment of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company has elected not to recognize right-of-use asset and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low value assets. The Company recognizes the lease payments associated with these leases as an expense on straight line basis over the lease term."

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

(vii) Foreign currency transactions

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee (₹), which is Company's functional and presentation currency.

(b) Initial recognition

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates at the date the transaction.

(c) Conversion

Foreign currency monetary items are translated using the functional currency spot rates of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial recognition.

(d) Exchange differences

Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss.

(viii) Derivative financial instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit and loss.

(ix) Fair value measurement

The Company measures financial instruments, such as, derivatives, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operation.

External valuers are involved for valuation of significant assets, and significant liabilities, if any.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

(x) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement:

All financial assets except trade receivables are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit and loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset. Trade receivables are measured at transaction price in accordance with Ind AS 115.

Subsequent measurement:

Financial assets being financial instruments:

Subsequent measurement of financial instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. For the purposes of subsequent measurement, financial instruments are classified in three categories:

- Financial instruments at amortised cost;
- Financial instruments at fair value through other comprehensive income (FVTOCI);
- Financial instruments at fair value through profit and loss (FVTPL).

Financial instruments at amortised cost:

A financial instrument is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial instrument at FVTOCI:

A financial instrument is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent solely payments of principal and interest (SPPI).

Financial instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI financial instrument is reported as interest income using the EIR method.

Financial instrument at FVTPL:

FVTPL is a residual category for financial instruments. Any financial instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a financial instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Financial instruments included within the FVTPL category

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets:

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its assets carried at amortised cost and FVTOCI financial instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-month ECL.

Financial Liabilities

Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives. All financial

liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including derivative financial instruments.

Subsequent Measurement:

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss (FVTPL) include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 'Financial instruments'.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition:

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

Offsetting financial instruments

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

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

(xi) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

(xii) Inventories

- i. Inventories are valued at the lower of cost and net realizable value.
- ii. The cost is determined as follows:
 - (a) Raw Materials, Stores, Spare Parts, Chemical, Fuel Oil and Packing Materials: Weighted average method
 - (b) Intermediaries: Material cost on weighted average method and appropriate manufacturing overheads based on normal operating capacity
 - (c) Finished goods (manufactured): Material cost on weighted average method and appropriate manufacturing overheads based on normal operating capacity
 - (d) Traded goods: Weighted average method
- iii. By-products such as treated gypsum are measured at net realizable value, adjusted against the cost of main product.
- iv. Net realizable value is the estimated selling price including applicable subsidy in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.
- v. Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

(xiii) Borrowing cost

Borrowing costs include interest and other ancillary costs incurred in connection with the arrangement of borrowings. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

(xiv) Revenue Recognition

The Company earns revenue primarily from sale of fertilizers. The following specific criteria must also be met before revenue is recognised:

Sale of goods

At contract inception, Company assess the goods promised in a contract with a customer and identify as a performance obligation each promise to transfer to the customer. Revenue is recognised upon transfer of control of promised products to customers in an amount of the transaction price that is allocated to that performance obligation and that reflects the consideration which the Company expects to receive in exchange for those products.

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods to a customer net of returns, excluding amounts collected on behalf of third parties (for example, taxes) and excluding discounts and incentives, as specified in the contract with customer.

With respect to sale of products revenue is recognised at a point in time when the performance obligation is satisfied and the customer obtains the control of goods which is usually dispatch/delivery of goods, based on contracts with customers. There is no significant financing components involved on contract with customers. Invoices are usually payable within the credit period as agreed with respective customers.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods transferred to the customer. If the Company performs by transferring goods to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in note (x) to material accounting policies on Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer goods to a customer for which the Company has received

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Subsidy income

Concessions in respect of Urea as notified under the New Pricing Scheme is recognized with adjustments for escalation/de-escalation in the prices of inputs and other adjustments as estimated by the management in accordance with the known policy parameters in this regard.

Subsidy for DAP, Muriate of Potash (MOP) and Complex Fertilizers are recognized as per rates notified by the Government of India in accordance with Nutrient Based Subsidy Policy and other guidelines issued from time to time, where there is reasonable assurance of complying with the conditions of the policy.

Subsidy on freight charges for DAP, MOP and Complex Fertilizers is recognized based on rates notified by the Government of India with the known policy parameters in this regard and included in subsidy.

(xiv) (a) Interest Income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. 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. Interest income is included in finance income in the statement of profit and loss. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable EIR. Claims receivable on account of interest from dealers on delayed payments are accounted for to the extent the Company is reasonably certain of their ultimate collection.

(xiv) (b) Dividend Income

Dividend income is recognised when the Company's right to receive the payment is established.

(xiv) (c) Insurance claims

Claims receivable on account of insurance are accounted for to the extent the Company is reasonably certain of their ultimate collection.

(xv) Government grants and subsidies

Grants and subsidies [other than subsidy income considered in point (xiv) above] from the government are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/ subsidy will be received.

Where the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

(xvi) Employee benefits

Share-based payments

Share-based compensation benefits are provided to employees via PPL Employees Stock Option Plan 2021 ("ESOP 2021"). The fair value of the options granted under ESOP 2021 is recognised as an employee benefits expense in the statement of profit and loss with a corresponding increase in equity. The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and risk-free interest rate for the term of the option.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates for the remaining vesting period of the number of options that are expected to vest based on the service conditions. It recognises the impact of the revision to original estimates in the remaining vesting period, if any, in the statement of profit or loss, with a corresponding adjustment to equity.

Short term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Defined Contribution Plan

Retirement benefit in the form of contribution to pension fund, superannuation fund and national pension scheme are defined contribution scheme. The Company has no obligation, other than the contribution payable to these schemes. The Company recognizes contribution payable to these fund schemes as an expenditure, when an

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined Benefit Plans

- i) Liability for Gratuity and Post Retirement Medical Benefits are provided for on the basis of actuarial valuation carried at the end of each financial year. The gratuity plan and post employment medical benefit plan has been funded by policy taken from Life Insurance Corporation of India.
- ii) Liability for Provident fund is provided for on the basis of actuarial valuation carried at the end of each financial year. The difference between the actuarial valuation of the provident fund of employees at the year end and the balance of own managed fund is provided for as liability in the books in terms of the provisions under Employee Provident Fund and Miscellaneous Provisions Act, 1952.
- iii) The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefits expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income and such re-measurement gain / (loss) are not reclassified to the statement of profit and loss in the subsequent periods. They are included in retained earnings in the statement of changes in equity."

Other long term benefits

Liability for accumulated compensated absences are provided for on the basis of actuarial valuation carried at the end of each financial year. The Company measures the expected cost of accumulated compensated absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the

reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months as long term employee benefit for measurement purpose.

(xvii) Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in Other comprehensive income.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that:
 - is not a business combination; and
 - at the time of the transaction (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences;
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

(xviii) Segment Reporting Policies

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. Chief Operating Decision Maker review the performance of the Company according to the nature of products manufactured, traded and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the locations of customers.

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting financial statements of the Company as a whole.

(xix) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders of the Company by the weighted average number of the equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit or loss for the year attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

(xx) Contingent liabilities

A contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise. A contingent liability is also a present obligation that arises from past events but outflow of resources embodying economic benefits is not probable.

(xxi) Provisions

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

(xxii) Business combinations

The Company applies the acquisition method in accounting for business combinations. The consideration transferred by the Company to obtain control of a business

is calculated as the sum of the fair values of assets transferred and liabilities assumed as at the acquisition date i.e. date on which it obtains control of the acquiree. Acquisition-related costs are recognised in the statement of profit and loss as incurred, except to the extent related to the issue of debt or equity securities.

Where the consideration transferred exceeds the fair value of the net assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets and liabilities assumed, the difference as a gain in other comprehensive income and accumulate the gain in equity as capital reserve.

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on acquisition-date. Intangible Assets acquired in a Business Combination and recognised separately from Goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a Business Combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

(xxiii) Goodwill

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

(xxiv) Declaration of Dividend

The Company recognises a liability to pay final dividend to equity shareholders when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a final dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in the equity.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

(xxv) Material accounting policy information

The Company adopted Disclosure of Accounting Policies (Amendments to Ind AS 1) from April 1, 2023. Although the amendments did not result in any changes in the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

3A. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The changes in estimates are made as the management becomes aware of such changes. The changes in estimates are recognized in the period in which the estimates are revised.

i) Defined benefit plans

The cost of the defined benefit gratuity plan, post-employment medical benefits and other defined benefit plans and the present value of the obligation of defined benefit plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for defined benefit plans, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on the expected future inflation rates. Further details about the defined benefit obligations are given in Note 32.

ii) Useful life of Property, plant and equipment

The management estimates the useful life and residual value of property, plant and equipment based on technical

evaluation. These assumptions are reviewed at each reporting date. Refer Note 4(a).

iii) Fair value measurement of financial instruments.

Refer Note 34 for information about fair value measurement.

iv) Revenue recognition

The Company provides various rebates and incentives to the customers. In estimating the same, the Company is required to use either the expected value method or the most likely method. The Company determined that the expected value method is the appropriate method for determining estimates to recognize the impact of rebates and other incentives on revenue. These estimates are made based on historical experience and business forecast and current market conditions. The model uses the historical purchasing patterns and rebate entitlement of customers to determine the expected rebate percentages and the expected value thereof.

v) Provisions and contingencies

Refer Note 29 for key assumptions about likelihood and magnitude of an outflow of economic resources in relation to recognition and measurement of contingent liabilities.

3B. Standards issued but not yet effective

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2026, MCA ammended the Companies (Indian Accounting Standards) Ammendment Rules 2026, as below

Ind AS 1 - Presentation of Financial Statements -

For accounting periods beginning on or after 1 April 2026, when an entity breaches any covenant of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand, it classifies the liability as current, even if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach. An entity classifies the liability as current because, at the end of the reporting period, it does not have the right to defer its settlement for at least 12 months after that date.

However, an entity classifies the liability as non-current if the lender agreed by the end of the reporting period to provide a period of grace ending at least 12 months after the reporting period, within which the entity can rectify the breach and during which the lender cannot demand immediate repayment.

This amendment is to be applied retrospectively for annual reporting periods beginning on or after 1 April 2026, in accordance with Ind AS 8, Accounting Policies, changes in accounting Estimates and Errors.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Note 4(a) : Property, plant and equipment

Reconciliation of carrying amount

Particulars	Leasehold land	Freehold land *	Buildings	Roads and culverts	Plant and equipment	Furniture and fittings	Vehicles	Office equipments	Railway siding	Total (A)
Balance as at 1 April 2024	39.84	44,100.39	54,688.00	2,006.22	308,686.88	544.40	1,714.88	1,809.08	2,680.54	416,270.23
Adjustment on account of business combination (refer Note 44(a))	-	60,450.36	7,699.14	174.30	107,466.19	100.54	468.48	159.74	335.98	176,854.73
Balance as at 1 April 2024 (Restated)	39.84	104,550.75	62,387.14	2,180.52	416,153.07	644.94	2,183.36	1,968.82	3,016.52	593,124.96
Additions during the year	-	1,313.69	92.21	686.98	17,152.97	188.21	857.84	377.16	-	20,669.06
Disposals/ discard during the year	-	-	-	-	3,481.83	5.10	55.07	53.37	-	3,595.37
Balance as at 31 March 2025	39.84	105,864.44	62,479.35	2,867.50	429,824.21	828.05	2,986.13	2,292.61	3,016.52	610,198.65
Balance as at 1 April 2025	39.84	105,864.44	62,479.35	2,867.50	429,824.21	828.05	2,986.13	2,292.61	3,016.52	610,198.65
Additions during the year	-	-	10,566.52	383.23	111,053.98	200.19	517.13	395.48	172.41	123,288.94
Adjustment on account of business combination (refer Note 45)	-	-	2,777.95	-	2,427.59	0.31	-	9.50	-	5,215.35
Disposals/ discard during the year	-	-	64.00	0.08	8,640.93	22.86	242.31	118.73	27.40	9,116.31
Balance as at 31 March 2026	39.84	105,864.44	75,759.82	3,250.65	534,664.85	1,005.69	3,260.95	2,578.86	3,161.53	729,586.63

Accumulated depreciation

Particulars	Leasehold land	Freehold land *	Buildings	Roads and culverts	Plant and equipment	Furniture and fittings	Vehicles	Office equipments	Railway siding	Total (A)
Balance as at 1 April 2024	4.14	-	9,105.76	699.53	68,796.75	356.10	429.17	1,118.77	442.13	80,952.35
Charge for the year	0.44	-	2,425.66	339.13	30,155.05	60.67	461.47	311.06	226.87	33,980.35
Deductions	-	-	-	-	1,114.54	4.45	31.88	43.44	-	1,194.31
Balance as at 31 March 2025	4.58	-	11,531.42	1,038.66	97,837.26	412.32	858.76	1,386.39	669.00	113,738.39
Balance as at 1 April 2025	4.58	-	11,531.42	1,038.66	97,837.26	412.32	858.76	1,386.39	669.00	113,738.39
Charge for the year	0.44	-	2,620.97	392.66	35,796.09	68.41	516.60	286.54	182.70	39,864.41
Deductions	-	-	2.92	-	3,096.04	13.86	89.66	111.00	16.90	3,330.38
Balance as at 31 March 2026	5.02	-	14,149.47	1,431.32	130,537.31	466.87	1,285.70	1,561.93	834.80	150,272.42
Net Carrying amount										
Balance as at 31 March 2026	34.82	105,864.44	61,610.35	1,819.33	404,127.54	538.82	1,975.25	1,016.93	2,326.73	579,314.21
Balance as at 31 March 2025	35.26	105,864.44	50,947.93	1,828.84	331,986.95	415.73	2,127.37	906.22	2,347.52	496,460.26

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

* Details of freehold land not held in the name of the Company

Item of Balance Sheet	Description of Item	Gross Carrying Value	Title deed in favour of	If in the name of director etc.	Property held since	Reason of not being held in the name of the company
Property, Plant and equipment	Freehold land	27.94	Not available	Not applicable	1982-85	Delay on account of administrative formalities
Property, Plant and equipment	Freehold land	60,450.36	Mangalore Chemicals & Fertilizers Limited	NA	2025-26	Acquired under scheme of arrangement, pending adjudication

- 1) Refer Note 14(a) and 14(c) relating to borrowings in respect of property, plant and equipment provided as security against those borrowings.
- 2) Refer Note 30 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- 3) Capitalisation of borrowing costs relates to funds borrowed both specifically and generally to acquire/construct qualifying assets. The capitalisation rate relating to general borrowings was at 8.40% (31 March 2025: 8.50%).

4(b) Capital work-in-progress

Particulars	As at 31 March 2026	As at 31 March 2025 [Refer Note 44(a)]
Opening balance	58,434.35	37,219.28
Adjustment on account of business combination (refer Note 44(a))	-	1,117.25
Opening balance (Restated)	58,434.35	38,336.53
Add: Addition during the year	107,252.40	38,077.34
Less: Capitalisation during the year	123,315.35	17,979.52
Closing balance	42,371.40	58,434.35

Closing balance includes other direct capital expenditure (pending allocation) ₹ 121.19 (31 March 2025: ₹ 4,348.79)

CWIP Ageing Schedule

As at 31 March 2026

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	
Projects in progress	30,786.25	3,518.11	994.57	7,072.47	42,371.40
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2025

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	
Projects in progress	29,064.61	16,468.89	12,201.58	699.27	58,434.35
Projects temporarily suspended	-	-	-	-	-

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Details of projects forming part of CWIP and which have become overdue compared to their original plans or where cost is exceeded compared to original plans

As at 31 March 2026

Particulars	To be completed in			
	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years
Urea energy efficiency project	15,030.93			
Sulphuric Acid Melting & Steam Distribution System	3,159.00	–	–	–
New Phosphoric acid tank	1,151.23	–	–	–
PAP belt filter	966.49	–	–	–

As at 31 March 2025

Particulars	To be completed in			
	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years
Sulphuric acid plant	30,986.95	–	–	–
MRSS	2,615.44	–	–	–
New Phos acid plant/5 th evaporator	913.77	–	–	–
PAP belt filter	–	418.27	–	–

4(c) Right-of-use assets

Particulars	Right of use Building	Right of use Land	Total Right of use assets
As at 01.04.2024	608.95	1,509.94	2,118.89
Adjustment on account of business acquisition (refer Note 44(a))	36.63	1,507.31	1,543.94
As at 01.04.2024 (Restated)	645.58	3,017.25	3,662.83
Additions	17.96	–	17.96
Disposal	54.18	–	54.18
As at 31.03.2025	609.36	3,017.25	3,626.61
On account of business combination (refer Note 45)	–	338.14	338.14
Additions	–	5.40	5.40
Disposal	43.28	–	43.28
As at 31.03.2026	566.08	3,360.79	3,926.87
Depreciation			
As at 01.04.2024	113.76	214.60	328.36
Charge for the year	136.50	213.47	349.97
Disposal	32.29	–	32.29
As at 31.03.2025	217.97	428.07	646.04
Charge for the year	122.51	215.90	338.41
Disposal	32.30	–	32.30
As at 31.03.2026	308.18	643.97	952.15
Net block			
As at 31.03.2026	257.90	2,716.82	2,974.72
As at 31.03.2025	391.39	2,589.18	2,980.57

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

4(d) Intangible assets

	31 March 2026			31 March 2025		
	Computer Software	Brand	Total	Computer Software	Brand	Total
Gross block						
Balance as at beginning of the year	952.44	5,650.00	6,602.44	664.62	–	664.62
Adjustment on account of business combination (refer Note 44(a))	–	–	–	104.18	5,650.00	5,754.18
Additions during the year	294.33	–	294.33	183.64	–	183.64
Disposals/discard during the year	–	–	–	–	–	–
Balance as at end of the year	1,246.77	5,650.00	6,896.77	952.44	5,650.00	6,602.44
Amortisation						
Balance as at beginning of the year	578.81	–	578.81	480.13	–	480.13
Amortisation for the year	116.84	–	116.84	98.68	–	98.68
Deductions	–	–	–	–	–	–
Adjustments	–	–	–	–	–	–
Balance as at end of the year	695.65	–	695.65	578.81	–	578.81
Net carrying amount as at end of the year	551.12	5,650.00	6,201.12	373.63	5,650.00	6,023.63

Note 5(a) : Investment in associate

Particulars	As at 31 March 2026	As at 31 March 2025
Investment in associate		
Unquoted investment in equity share at cost 512,500 (31 March 2025: 512,500) ordinary shares of USD 1 each fully paid up of Zuari Yoma Agri Solutions Limited	365.61	365.61
Net investment in associate	365.61	365.61
Aggregate value of unquoted investment	365.61	365.61
Aggregate amount of impairment in value of investment	–	–

Note 5(b): Financial assets - Investments

	As at 31 March 2026			
	Non-current		Current	
	No of shares	Amount	No of units	Amount
(Unquoted)				
Investments at fair value through profit or loss				
Bangalore Beverages Limited				
[Redeemable cumulative preference shares of ₹1 each with coupon rate of 10% p.a repayable after 20 years]	200,000	20,000.00	–	–
Less: Provision for impairment in value of investment	–	(20,000.00)	–	–
FPEL Ujwal Private Limited	161,361.00	329.50	–	–
Mutual fund investments at fair value through profit or loss (unquoted)				
Aditya Birla Money Manager Fund-Direct Growth	–	–	–	–
Aditya Birla Sun Life Low Duration Fund - Growth Regular Plan	–	–	–	–
Aditya Birla Sun Life Overnight Fund-Growth	–	–	49,822	725.76
HDFC MF - Money Market -Direct Growth	–	–	–	–
ICICI Prudential - Money Market Fund (Direct Growth)	–	–	–	–
Nippon India Money Market Fund Direct (Growth Plan - Growth option)	–	–	–	–
Nippon India Short Duration Fund - Growth	–	–	1,325,230	790.50
Axis Treasury Advanrage Fund - Growth	–	–	7,460	253.26
SBI Savings Fund Direct Growth	–	–	–	–
TATA Money Market Fund - Direct Growth	–	–	–	–
Total investments		329.50		1,769.52

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(All amounts are in rupees lakhs, unless otherwise stated)

	As at 31 March 2025			
	Non-current		Current	
	No. of shares	Amount	No. of units	Amount
(Unquoted)				
Investments at fair value through profit or loss				
Bangalore Beverages Limited				
[Redeemable cumulative preference shares of ₹1 each with coupon rate of 10% p.a repayable after 20 years]	200,000	20,000.00	–	–
Less: Provision for impairment in value of investment	–	(20,000.00)	–	–
FPEL Ujwal Private Limited	–	–	–	–
Mutual fund investments at fair value through profit or loss (unquoted)				
Aditya Birla Money Manager Fund-Direct Growth	–	–	2,341,313.16	8,608.72
Aditya Birla Sun Life Low Duration Fund - Growth Regular Plan	–	–	–	0.10
Aditya Birla Sun Life Overnight Fund-Growth	–	–	70,793.04	4,047.11
HDFC MF - Money Market -Direct Growth	–	–	550,565.84	2,073.80
ICICI Prudential - Money Market Fund (Direct Growth)	–	–	74,692.62	3,078.78
Nippon India Money Market Fund Direct (Growth Plan - Growth option)	–	–	–	–
Nippon India Short Duration Fund - Growth	–	–	–	–
Axis Treasury Advanrage Fund - Growth	–	–	–	–
SBI Savings Fund Direct Growth	–	–	4,588,979.03	2,000.96
TATA Money Market Fund - Direct Growth	–	–	150,547.82	7,100.32
Total investments	–	–	–	26,909.79

Note 6: Other Non Current Assets and Current Assets

(Unsecured, considered good unless otherwise stated)

	As at 31 March 2026		As at 31 March 2025	
	Non-current	Current	Non-current	Current
Capital advances				
Related parties (refer Note 33)	1,457.46	–	335.65	–
Others	835.89	–	10,881.98	–
Advance to vendors:				
Related parties (refer Note 33)	–	26.07	–	34.46
Others	–	2,900.52	1,668.20	2,277.08
Less: Loss allowance	–	(32.00)	(1,668.20)	(32.00)
Claims receivable	218.28	6,594.65	218.28	7,117.70
Less: Loss allowance	(11.50)	(45.51)	(11.50)	–
Balance with statutory / government authorities	–	72,804.69	–	63,273.61
Less: Loss allowance	–	(1,861.31)	–	–
Prepaid expenses	225.75	3,177.68	246.96	3,304.99
Sales tax & entry tax deposits	8.01	4,974.70	8.01	1,167.31
Less: Loss allowance	(8.01)	(0.11)	(8.01)	–
Other deposits				
Related parties (refer Note 33)	170.00	–	60.00	–
Others*	2,324.92	148.85	2,219.65	448.58
Total other assets	5,220.80	88,688.23	13,951.02	77,591.73

* Includes primarily deposits with vendors, service providers etc.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Note 7: Inventories

(Valued at the lower of cost and net realisable value)

Particulars	As at 31 March 2026	As at 31 March 2025
Raw materials	226,785.34	135,112.09
Finished goods	124,016.21	57,375.82
Traded goods	53,691.76	13,140.67
Intermediates (work in progress)	27,426.41	15,837.14
Stores, spare parts, chemical and fuel oil	17,610.26	19,290.86
Packing materials	1,230.05	846.96
By-Products	11,909.84	14,029.11
Total inventories	462,669.87	255,632.65

Note:

- Inventories are pledged against the borrowings as further explained in Note 14(a) and 14(c).
- The cost of inventories recognised as expense includes ₹300.28 (31 March 2025: ₹778.06) in respect of write down of inventories to net realisable value.
- Inventories includes inventories in transit as at the balance sheet date as under:

Particulars	As at 31 March 2026	As at 31 March 2025
Raw materials	130,089.98	66,071.47
Finished goods	29,849.64	24,199.26
Traded goods	19,357.60	—
Stores and spare parts	434.41	3,838.36
Total inventories in transit	179,731.63	94,109.09

Note 8: Trade receivables

Particulars	As at 31 March 2026	As at 31 March 2025
Trade receivables considered good - secured	8,788.99	9,075.39
Trade receivables - unsecured*	468,291.61	291,721.74
From related parties (refer Note 33)		
Trade receivables considered good - unsecured	9,678.33	13,703.72
Total trade receivables	486,758.93	314,500.85
Less: Loss allowance	(7,709.85)	(7,803.16)
Net trade receivables (refer note 'a' below)	479,049.08	306,697.69

Trade receivables are carried at amortised cost which are a reasonable approximation of their fair value.

* Trade receivables - unsecured

Particulars	As at 31 March 2026	As at 31 March 2025
Trade receivable considered good	463,931.33	288,336.47
Trade receivables - which have significant increase in credit risk	4,360.28	3,385.27
Total trade receivables unsecured	468,291.61	291,721.74

- Includes subsidy receivable from the Government of India amounting to ₹ 384,728.31 (31 March 2025: ₹ 235,721.16)
- Trade receivables are pledged against the borrowings obtained by the Company as further explained in Note 14(a) and 14(c).
- Trade receivables are non-interest bearing and are generally on terms of 30 to 180 days.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

- d) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
- e) The Company's exposure to credit and currency risks and loss allowances related to trade receivables are disclosed in Note 35.

Trade Receivable ageing schedule:

As at 31 March 2026

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 Years	2-3 Years	More Than 3 Years	
(i) Undisputed Trade receivables - considered good	3,62,214.04	91,957.48	685.39	274.93	13,977.37	7,930.75	4,77,039.96
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	5,358.69	5,358.69
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	8.94	4,351.34	4,360.28
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Gross trade receivable							486,758.93

As at 31 March 2025

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	More Than 3 Years	
(i) Undisputed Trade receivables - considered good	184,311.67	83,303.60	5,473.23	15,299.01	220.16	17,149.22	305,756.89
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	5,358.69	5,358.69
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	6.84	116.38	3,262.05	3,385.27
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Gross trade receivable							314,500.85

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Note 9: Cash and cash equivalents

Particulars	As at 31 March 2026	As at 31 March 2025
Balances with banks		
– On current accounts	1,363.96	1,237.07
– On cash credit accounts	17,753.46	3,830.17
– Deposit with original maturity of less than three months	17,225.00	88,380.00
Cash on hand	2.39	3.08
Total cash and cash equivalents	36,344.81	93,450.32

Note 10: Bank balances other than above

Particulars	As at 31 March 2026	As at 31 March 2025
– Deposits with banks with original maturity of more than three months and less than twelve months*	2,603.74	9,935.43
– ESOP accounts	43.67	89.49
– Unpaid dividend accounts	159.97	153.86
Total bank balances other than above	2,807.38	10,178.78

Bank balances other than above are carried at amortised cost which are a reasonable approximation of their fair value.

*Pledged with Executive Engineer, Mahanadi South Division as security deposit ₹220.79 (31 March 2025: ₹206.19), against bank guarantee issued in favour of Regional Director, ESI Corporation, Bhubaneswar ₹6.57 (31 March 2025: ₹ 5.73), cash margin fixed deposit issued against repayment of long term loan: ₹ 2,376.38 (31 March 2025: ₹5,188.51).

Note 11: Other financial assets

(Unsecured, considered good unless otherwise stated)

	As at 31 March 2026		As at 31 March 2025	
	Non-current	Current	Non-current	Current
Derivative instruments at fair value through profit or loss				
Derivatives not designated as hedges				
Foreign-exchange forward contracts	–	15,690.50	–	–
Other financial asset at amortised cost*				
Claims receivable:				
Related parties (refer Note 33)	–	40,286.17	–	47,979.18
Others	209.79	2,696.76	209.79	1,618.73
Less: Loss allowance	(209.79)	(311.82)	(209.79)	(311.82)
Interest receivable on deposits, receivables, etc.:				
Related parties (refer Note 33)	–	6,126.64	–	5,845.51
Others	–	159.20	–	524.82
Deposits with bank #	2,404.96	–	–	–
Lease rent receivable	–	–	–	51.84
Receivables from Gas pool operator	–	386.55	–	3,297.58
Other receivable				
Related parties (refer Note 33)	–	72.24	–	56.18
Less: Loss allowance	–	(56.18)	–	(56.18)
Total other financial assets	2,404.96	65,050.06	–	59,005.84

* The carrying amounts of these financial instruments are a reasonable approximation of their fair value.

Margin fixed deposit issued against repayment of long term loan

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Note 12: Equity share capital

(a) Details of authorised, issued, subscribed and fully paid up share capital:

Particulars	As at 31 March 2026	As at 31 March 2025
Authorised share capital		
1,050,000,000 (31 March 2025: 900,000,000) equity shares of ₹ 10 each (31 March 2025: ₹ 10 each)	105,000.00	90,000.00
8,000,000 (31 March 2025: 10,000,000) 7% Non cumulative Redeemable preference shares of ₹ 100/- each (31 March 2025: ₹100 each)	8,000.00	10,000.00
Total authorised share capital	113,000.00	100,000.00
Issued, subscribed and fully paid up shares		
1,038,170,594 (31 March 2026: 815,210,093) equity shares of ₹ 10 (31 March 2025: ₹10) each fully paid	103,817.06	81,521.01
Total equity share capital	103,817.06	81,521.01

(b) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year:

	As at 31 March 2026		As at 31 March 2025	
	Number of equity shares	Amount	Number of equity shares	Amount
Balance at the beginning of the year	81,52,10,093	81,521.01	81,47,78,646	81,477.86
Changes during the year	22,29,60,501	22,296.05	4,31,447	43.14
Balance at the end of the year	1,03,81,70,594	1,03,817.06	81,52,10,093	81,521.01

The Company has issued 221,623,331 nos of equity shares having face value of ₹10 per share to the existing shareholders of Managalore Chemicals and Fertilizers Limited pursuant to the approved scheme of arrangement.

(c) Terms/ rights attached to equity shares:

- 1) The Company has only one class of equity share having par value of ₹10 per share. Each holder of equity share is entitled to one vote per share. The equity shareholders are entitled to receive dividend as declared from time to time.
- 2) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company in proportion to the number of equity shares held by the respective shareholders.

(d) Shares held by holding Company are as below:

	As at 31 March 2026		As at 31 March 2025	
	Number of equity shares	Amount	Number of equity shares	Amount
Name of shareholder				
Zuari Maroc Phosphates Private Limited (ZMPPL), the holding Company(erstwhile known as Zuari Maroc Phosphates Limited (ZMPL))	52,23,31,697	52,233.17	45,69,42,507	45,694.25

(e) Details of equity shareholders holding more than 5% of the aggregate equity shares in the Company:

Name of equity shareholder	As at 31 March 2026		As at 31 March 2025	
	Number of equity shares	% of total shares in the class	Number of equity shares	% of total shares in the class
Zuari Maroc Phosphates Private Limited (ZMPPL), the holding Company(erstwhile known as ZMPL)	522,331,697	50.31%	456,942,507	56.05%
Zuari Agro Chemicals Limited	65,433,846	6.30%	—	—
SBI Multicap Fund	41,499,147	4.00%	70,691,586	8.67%

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

- (f) The Company has not issued any bonus shares or shares for consideration other than cash during the period of five years immediately preceding the reporting date.
- (g) As per records of the Company including its register of share holders/members and other declarations received from share holders regarding beneficial interest, the above share holding represents both legal and beneficial ownership of shares.
- (h) **Stock option schemes**
Information relating to Employee Stock Option Plan, including details of options granted and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in Note 42.
- (i) **Details of shareholding of promoters and promoters group:**

Name of equity shareholder	As at 31 March 2026		Change in shareholding	As at 31 March 2025	
	Number of equity shares	% of total shares in the class	% of change	Number of equity shares	% of total shares in the class
Zuari Maroc Phosphates Private Limited (ZMPPL), the holding Company (erstwhile known as ZMPL)	522,331,697	50.31%	-5.74%	456,942,507	56.05%
Zuari Agro Chemicals Limited	65,433,846	6.30%	6.30%	—	—
Adventz Finance Private Limited	8,135,175	0.78%	0.78%	—	—
Zuari Industries Limited	572,582	0.06%	0.06%	—	—
Akshay Poddar	545	0.00%	0.00%	—	—

Note 13: Other equity

Particulars	As at 31 March 2026	As at 31 March 2025
Share Application money pending allotment	—	70.69
– Represents share application money received pending allotment of equity shares		
Retained earnings		
– Retained earnings are profits that the Company has earned till date, less dividends or other distributions paid to the shareholders. It also includes remeasurement gain/ loss of defined benefit plans.	351,154.55	261,041.34
Share Suspense account	—	170,649.96
– Share suspense account is used to record equity shares to be issued pursuant to merger on the appointed date.		
Securities premium	223,172.30	73,782.30
– Securities premium is used to record premium received on issue of shares. The reserve is utilised in accordance with the provisions of Companies Act, 2013.		
Share option outstanding reserve	121.92	468.30
– Share option outstanding reserve is used for creating reserve relating to ESOPs issued by the Company		
Total other equity	574,448.77	506,012.59

Refer standalone statement of changes in equity for movement during the years.

Proposed dividend on equity shares not recognised as liability *

Particulars	As at 31 March 2026	As at 31 March 2025
Proposed final dividend	15,572.56	9,929.90

The Board of Directors has recommended a dividend of 15% i.e. ₹ 1.50 per equity share of ₹ 10 each fully paid up

* Proposed dividend on equity shares is subject to approval of shareholders of the Company at the ensuing Annual General Meeting and not recognised as liability as at the Balance Sheet date.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Note 14(a): Non-Current Borrowings

	As at 31 March 2026		As at 31 March 2025	
	Non-current	Current Maturities	Non-current	Current Maturities
Secured				
Rupee term loan from banks	71,792.79	38,114.99	85,312.71	40,118.60
Amount of current maturities disclosed under the head "current borrowings" (refer note 14(c))	–	(38,114.99)	–	(40,118.60)
Un-secured				
Rupee term loan from banks	9,787.93	5,159.94	–	–
Amount of current maturities disclosed under the head "current borrowings" (refer note 14(c))	–	(5,159.94)	–	–
Total non-current borrowings	81,580.72	–	85,312.71	–

Non-Current Borrowings are carried at amortised cost which are a reasonable approximation of their fair value.

Terms and conditions including nature of securities and terms of repayment of each loan and interest rate:

Particulars of loan	Security	Terms of repayment	Year end	Effective interest rate
Rupee term loan from- ICICI Bank	First pari passu with the mortgages and charges created in respect of immovable properties and movable properties	Repayable in 16 quarterly instalments of ₹ 937.50 commenced from 31 March 2023.	31 March 2026 31 March 2025	8.45% 9.20%
Rupee term loan from- SBI	First pari passu with the mortgages and charges created in respect of fixed assets and second paripassu with charge on entire current assets.	Repayable in 20 quarterly instalments of ₹ 850.00 commenced from 1 October 2023.	31 March 2026 31 March 2025	8.75% 9.36%
Rupee term loan from- HDFC	First pari passu with the mortgages and charges created in respect of fixed assets and second paripassu with charge on entire current assets.	Repayable in 20 quarterly instalments of ₹ 1163.75 commenced from 1 September 2022.	31 March 2026 31 March 2025	7.34% 9.00%
Rupee term loan from- Indusind Bank	First pari passu with the mortgages and charges created in respect of fixed assets and second paripassu with charge on entire current assets.	Repayable in 12 quarterly instalments of ₹ 651.50 commencing from 31 March 2026 based on the sanctioned loan amount. However, the entire sanctioned amount has not been drawn	31 March 2026 31 March 2025	7.25% 8.50%
Rupee term loan from- ICICI Bank	First pari passu with the mortgages and charges created in respect of movable properties and immovable properties	Repayable in 12 quarterly instalments of ₹ 2083.33 commencing from 30 June 2024	31 March 2026 31 March 2025	8.45% 9.20%
Rupee term loan from- KOOKMIN Bank	Unsecured	Repayable in 8 quarterly instalments of ₹ 875.00 commencing from 30 September 2025	31 March 2026 31 March 2025	7.05% 8.05%
Rupee term loan from- ICICI Bank	First pari passu with the mortgages and charges created in respect of movable properties and immovable properties	Repayable in 20 quarterly instalments of ₹ 1750.00 commencing from 31 March 2026	31 March 2026 31 March 2025	8.30% 9.00%
Rupee term loan from- SHINHAN BANK	Unsecured	Repayable in 12 quarterly instalments of ₹ 416.67 commencing from 28 February 2026	31 March 2026 31 March 2025	7.70% –

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for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Particulars of loan	Security	Terms of repayment	Year end	Effective interest rate
Rupee term loan from- KFB HANA	Unsecured	Repayable in 4 half-yearly instalments of ₹ 1500.00 commencing from 30 June 2027	31 March 2026 31 March 2025	7.15% –
Rupee term loan from- Axis Bank	First pari passu with the mortgages and charges created in respect of movable properties and immovable properties	Repayable in 14 quarterly instalments of ₹ 2142.86 commencing from 31 December 2027	31 March 2026 31 March 2025	7.90% –
Rupee term loan from- Bank of India	First pari passu with the mortgages and charges created in respect of immovable properties and movable properties and second pari passu with the charges created in respect of current assets.	Repayable in 12 quarterly instalments of ₹ 1165 commencing from 09 January 2027 based on the sanctioned loan amount. However, the entire sanctioned amount has not been drawn	31 March 2026 31 March 2025	7.95% –
Rupee term loan from- Punjab National Bank	First pari-passu first charge on movable fixed assets to be created from proceeds of the facility for improvement in Ammonia Energy Efficiency Project of the urea plant, with other participating lenders and first pari passu charge over all movable and immovable fixed assets of the Company excluding those exclusively charged to other term lenders.	Repayable in 28 quarterly instalments of ₹607.14 commenced from 30 November 2023	31 March 2026 31 March 2025	8.90% 9.95%
Rupee term loan from- State Bank of India	First pari-passu first charge on all fixed assets to be created out of the proposed EIP project, with other participating lenders and first pari passu charge over all movable and immovable fixed assets of the Company excluding the fixed assets charged specifically to the term lenders.	Repayable in 28 quarterly instalments of ₹267.86 commenced from 31 March 2023	31 March 2026 31 March 2025	9.65% 9.90%
Rupee term loan from- ICICI Bank Ltd	First pari-passu first charge on movable fixed assets to be created from proceeds of the facility for improvement in Energy Efficiency Project of the urea plant, with other participating lenders and first pari passu charge over movable and immovable fixed assets of the Company excluding those exclusively charged to other term lenders.	Repayable in 28 quarterly instalments of ₹125.00 commenced from 31 January 2024	31 March 2026 31 March 2025	9.15% 9.90%
Rupee term loan from- ICICI Bank Ltd	First pari-passu first charge over movable and immovable fixed assets of the Company, excluding those exclusively charged to other term lenders (including long term loans availed for the energy efficiency capital expenditure).	Repayable in 18 quarterly instalments of ₹222.22 commenced from 31 August 2023	31 March 2026 31 March 2025	9.15% 9.90%
Rupee term loan from- ICICI Bank Ltd	First pari-passu first charge over movable and immovable fixed assets of the Company, excluding those exclusively charged to other term lenders (including long term loans availed for the energy efficiency capital expenditure)	Repayable in 10 quarterly instalments commenced from 30 April 2024, of which first 4 quarterly instalments are of ₹ 250.00, next 4 quarterly instalments of ₹ 625.00 and remaining 2 quarterly instalments of ₹ 750.00	31 March 2026 31 March 2025	8.65% 9.40%

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for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Particulars of loan	Security	Terms of repayment	Year end	Effective interest rate
Rupee term loan from- ICICI Bank Ltd	First pari-passu first charge over movable and immovable fixed assets of the Company, excluding those exclusively charged to other term lenders (including long term loans availed for the energy efficiency capital expenditure).	Repayable in 15 quarterly instalments commenced from 30 September 2024, of which first 4 quarterly instalments are of ₹ 62.50, next 4 quarterly instalments of ₹ 125.00, and next 4 quarterly instalments of ₹ 187.50 and remaining 3 quarterly instalments of ₹333.33.	31 March 2026 31 March 2025	9.60% 9.60%
Rupee term loan from- Axis Bank Ltd	The loan is secured by exclusive charge on the moveable fixed assets of the new 300 tpd Sulphuric Acid Plant and first pari-passu charge on entire fixed assets of the Company excluding those exclusively charged to other term lenders	Repayable in 18 quarterly instalments commenced from 31 March 2026, of which first 4 quarterly instalments are of ₹ 500.00 and remaining 14 quarterly instalments of ₹1000.00 based on the sanctioned loan amount .However, the entire sanctioned amount has not been drawn.	31 March 2026 31 March 2025	7.50% -

Note 14(b): Lease Liabilities

	As at 31 March 2026		As at 31 March 2025	
	Non-current	Current	Non-current	Current
Lease Liabilities*	3,055.50	339.94	3,400.06	232.09
Total non-current borrowings	3,055.50	339.94	3,400.06	232.09

* Set out below are the carrying amounts of lease liabilities and the movements during the period:

Particulars	As at 31 March 2026	As at 31 March 2025
Opening	3,632.15	1,933.18
Adjustment on account of business acquisition (refer Note 44(a))	-	1,917.55
Opening (Restated)	3,632.15	3,850.73
Additions	343.54	17.96
Lease terminated	(10.98)	(21.89)
Accretion of interest	318.11	335.69
Payments	(887.38)	(550.34)
Closing	3,395.44	3,632.15

The effective interest rate for lease liabilities is 8.50%, with maturity between 2023-2048.

Maturity profile of lease liability

Ageing	Total rent payments	Interest payment	Net Amount
Less than 1 year	523.14	323.95	199.19
1-3 years	1,036.00	592.42	443.58
3-5 years	795.91	467.43	328.48
> 5 years	4,246.96	1,822.77	2,424.19
Total	6,602.01	3,206.57	3,395.44

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Note 14(c): Current Borrowings

Particulars	As at 31 March 2026	As at 31 March 2025
From banks:		
Secured		
Loans repayable on demand		
Cash credit	14.62	–
Other loans		
Working capital demand loan	61,897.00	–
Buyer's credit	101,539.28	133,861.90
Supplier's credit	291,780.71	178,381.36
Local bills discounted with bank	103,145.06	68,668.55
Other loans from bank	4,000.00	–
Current maturity of non-current borrowings	43,274.93	40,118.60
Total current borrowings	605,651.60	421,030.41

Current Borrowings are carried at amortised cost which are a reasonable approximation of their fair value.

Terms and conditions including nature of securities and terms of repayment of each loan and interest rate:

Particulars of loan	Security	Terms of repayment	Period	Principal Amount	Effective interest rate
Cash credit (secured)	First charge by way of hypothecation on	Repayable on demand	31 March 2026	14.62	8.85%
			31 March 2025	–	–
Working capital demand loan (WC DL) (secured)	all current assets and second charge on all immovable & movable properties of the	Repayable over a period of 7 to 91 days	31 March 2026	61,897.00	6.75% to 7.75%
			31 March 2025	–	–
Supplier's credit(secured)/ buyer's credit (secured)	Company (other than certain current assets hypothecated / pledged in favour of banks by way of first charge)	Repayable over a period of 30 to 180 days	31 March 2026	393,319.99	6 month SOFR plus 0.20% to 0.75%
			31 March 2025	312,243.26	6 month SOFR plus 0.15% to 0.75%
Local Bills discounted with bank (secured)	both present and future on pari-passu basis.	Repayable over a period of 91 to 180 days	31 March 2026	103,145.06	6% to 7%
			31 March 2025	68,668.55	7.35% to 8.40%
Others loans (secured)		Repayable over a period of 60 to 120 days	31 March 2026	4,000.00	7.55%
			31 March 2025	–	–

Details of securities as reported in the books vis-à-vis quarterly return:

Particulars of securities	Name of the bank	Quarter	Amount as per books of accounts	Amount as reported in the quarterly return	Amount of difference	Reason of material difference
Inventory	State Bank of India	Jun-25	373,292.00	373,292.00	–	There is no
Receivables			300,757.00	300,757.00	–	difference
Other Current Assets			231,880.00	231,880.00	–	in inventory,
Total			905,929.00	905,929.00	–	receivables
Inventory	State Bank of India	Sep-25	482,143.00	482,143.00	–	and other
Receivables			402,397.00	402,397.00	–	assets
Other Current Assets			291,873.00	291,873.00	–	
Total			1,176,413.00	1,176,413.00	–	
Inventory	State Bank of India	Dec-25	442,079.00	442,079.00	–	
Receivables			454,764.00	454,764.00	–	
Other Current Assets			276,958.00	276,958.00	–	
Total			1,173,801.00	1,173,801.00	–	

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Note 15: Other financial liabilities

	As at 31 March 2026		As at 31 March 2025	
	Non-current	Current	Non-current	Current
Financial liabilities at fair value through profit or loss				
Derivatives not designated as hedges				
Foreign-exchange forward/option contracts	–	–	–	4,686.37
Total financial liabilities at fair value through profit or loss	–	–	–	4,686.37
Other financial liabilities at amortised cost*				
Earnest money/Security deposits				
Related Parties (refer Note 33)	–	62.50	62.50	–
Others	–	20,360.71	–	19,238.16
Employee related dues	22.36	4,391.75	24.44	3,851.47
Creditors for property, plant and equipments (including retention money from contractors/suppliers)				
Related Parties (refer Note 33)	–	1,362.49	–	–
Others	–	10,373.53	–	2,261.51
Payable to Gas pool operator	–	973.14	–	2,432.71
Unpaid dividend	–	159.97	–	153.86
Interest accrued but not due on borrowings	–	2,764.19	–	2,100.97
Total other financial liabilities at amortised cost	22.36	40,448.28	86.94	30,038.68
Total other financial liabilities	22.36	40,448.28	86.94	34,725.05

* The carrying amounts of these financial instruments are a reasonable approximation of their fair value.

Note 16: Provisions

	As at 31 March 2026		As at 31 March 2025	
	Non-current	Current	Non-current	Current
Provision for employee benefits* (refer Note 32)				
Post retirement medical benefits	214.10	18.46	102.19	7.95
Gratuity	2,505.45	384.51	2,077.25	146.25
Leave salary	–	7,987.53	–	7,012.93
Other provisions (refer Note 'a' below)				
Contractors	3,063.44	–	1,794.15	–
Others	–	2,083.08	–	2,013.58
Total provisions	5,782.99	10,473.58	3,973.59	9,180.71

* The classification of current/non current for provision for employee benefits has been determined by the actuary of the Company, based upon estimated amount of cash outflow during the next 12 months from the balance sheet date.

Note a: The movement for "Other provisions" during the year is as follows:

Movement of provisions during the year as required by Ind AS 37 "Provisions, Contingent Liabilities and Contingent Asset"

Capital expenditure

	As at 31 March 2026		As at 31 March 2025	
	Contractors	Others **	Contractors	Others **
Opening balance	1,794.15	2,013.58	1,606.65	1,945.20
Provision made during the year	1,269.29	69.50	187.50	68.38
	3,063.44	2,083.08	1,794.15	2,013.58

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

**** Closing balance includes the following provisions**

Particulars	As at 31 March 2026	As at 31 March 2025
	Others	Others
Ground rent (refer note i below)	1,541.81	1,479.03
Employees' state insurance (refer note ii below)	247.83	241.11
Provision for others (freight claims)	293.44	293.44
	2,083.08	2,013.58

- i. The Land Policy of Port land has been revised as per the Land Policy Guidelines issued by the Ministry of Shipping, Government of India. Pursuant to the said policy and pending outcome of negotiation with Paradeep Port Trust, the Company has made provision towards ground rent, interest and taxes amounting to ₹ 1,541.81 (31 March 2025: ₹ 1,479.03) against the demand raised by Paradeep Port Trust.
- ii. Employees' State Insurance Corporation (ESIC) raised various demands against the Company in respect of both contract labourers and employees in earlier years, which were contested by the Company in various Courts and Authorities. The Company is continuing with the provision existing in the books as on 31 March 2026 as ₹ 247.83 (31 March 2025: ₹ 241.11)

Note 17: Income Tax

A. Amount recognised in the profit or loss

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Current tax expense :		
Current year	31,072.64	22,873.47
Income tax for earlier years	(146.08)	(479.45)
Deferred tax charge / (credit):		
Relating to origination and reversal of temporary differences	2,657.90	2,479.85
Tax for earlier years	(423.98)	–
Net Deferred tax movement	2,233.92	2,479.85
Total tax expense	33,160.48	24,873.87

B. Amount recognised in the Other Comprehensive Income

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Deferred tax charge / (credit) to remeasurement of defined benefit liability	121.22	(179.11)

C. Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Profit before income tax from continuing operations	132,844.88	91,159.47
Profit before income tax	132,844.88	91,159.47
At India's statutory income tax rate of 25.168%	33,434.40	22,943.02
Tax effects of amount which are not deductible / (taxable) in calculating taxable income -		
CSR expenditure	326.40	217.25
Impact of capitalisation on carrying value of assets	–	818.25
Interest under Section 234B/234C	96.61	105.40
Donation	0.35	378.07
On stamp duty	–	629.20
Others	(127.22)	262.13
Effective tax charge	33,730.54	25,353.32
Add: Tax impact for earlier years	(570.06)	(479.45)
Tax expenses as per the Statement of Profit and Loss	33,160.48	24,873.87

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

D. Movement in Deferred tax balances

Particulars	Balance as at 1 April 2025	Recognised in profit or loss	Recognised in OCI	Balance as at 31 March 2026
Deferred tax liabilities				
Property, plant and equipment (including intangible assets)	40,950.18	2,971.88	–	43,922.06
On account of statutory dues	146.92	–	–	146.92
On account of others	82.41	(82.41)	–	–
Total deferred income tax liabilities	41,179.51	2,889.47	–	44,068.98
Deferred tax assets				
Effect of loss allowance	3,502.26	49.06	–	3,551.32
Expenses allowable under income tax on payment basis under Section 43B of the Income-tax Act, 1961	4,851.62	648.86	(121.22)	5,379.26
Provision for other liabilities	854.85	(42.37)	–	812.48
Total deferred income tax assets	9,208.73	655.55	(121.22)	9,743.06
Net deferred tax liabilities / (assets)	31,970.78	2,233.92	121.22	34,325.92

Particulars	Balance as at 1 April 2024 (Restated) *	Recognised in profit or loss	Recognised in OCI	Balance as at 31 March 2025 (Restated)
Deferred tax liabilities				
Property, plant and equipment (including intangible assets)	38,016.91	2,933.27	–	40,950.18
On account of statutory dues	650.34	(503.42)	–	146.92
On account of others	–	82.41	–	82.41
Total deferred income tax liabilities	38,667.25	2,512.26	–	41,179.51
Deferred tax assets				
Effect of loss allowance	3,384.04	118.22	–	3,502.26
Expenses allowable under income tax on payment basis under Section 43B of the Income-tax Act, 1961	4,737.57	(65.06)	179.11	4,851.62
Provision for other liabilities	875.60	(20.75)	–	854.85
Total deferred income tax assets	8,997.21	32.41	179.11	9,208.73
Net deferred tax liabilities / (assets)	29,670.04	2,479.85	(179.11)	31,970.78

* Includes impact of business combination adjusted against goodwill as at 1 April 2024 ₹4,188.62.

Note 18: Trade payables

Particulars	As at 31 March 2026	As at 31 March 2025
Total outstanding dues of micro enterprises and small enterprises	7,199.09	4,555.10
Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Related parties (refer Note 33)	102,380.29	90,255.21
- Others	198,867.26	135,409.04
	308,446.64	230,219.35

Trade payables are carried at amortised cost which are a reasonable approximation of their fair value.

Trade payables include acceptances from related parties and others amounting to ₹94,355.78 and ₹62,263.27 (31 March 2025: ₹75,355.55 and ₹32,516.39) respectively.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Note:

Trade payables and acceptances are non-interest bearing and are normally settled on 30 to 180 day terms.

The amount due to Micro and small enterprises as defined under Micro Small and Medium Enterprise Development Act, 2006 has been determined to the extent such suppliers have been identified on the basis of information available with the Company. The details are as under:

Particulars	As at 31 March 2026	As at 31 March 2025
(i) the principal amount remaining unpaid at the end of financial year	7,039.67	4,554.43
interest due thereon remaining unpaid to any supplier as at the end of financial year	158.75	–
(ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during the year	–	–
(iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	158.75	–
(iv) the amount of interest accrued and remaining unpaid at the end of the year	158.75	–
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	159.42	0.67

Trade payable ageing schedule

As at 31 March 2026

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	
(i) MSME	1,781.91	5,416.29	0.22	–	0.67	7,199.09
(ii) Others	58,416.09	159,840.24	33,403.55	5,059.97	6,172.56	262,892.41
(iii) Disputed Dues-MSME	–	–	–	–	–	–
(iv) Disputed Dues-Others	–	–	–	–	–	–
(v) Unbilled dues	38,355.14	–	–	–	–	38,355.14
Total	98,553.14	165,256.53	33,403.77	5,059.97	6,173.23	308,446.64

As at 31 March 2025

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	
(i) MSME	1,626.05	2,928.38	–	–	0.67	4,555.10
(ii) Others	37,821.02	152,187.00	2,178.21	3,404.43	1,578.21	197,168.87
(iii) Disputed Dues-MSME	–	–	–	–	–	–
(iv) Disputed Dues-Others	–	–	–	–	–	–
(v) Unbilled dues	28,495.38	–	–	–	–	28,495.38
Total	67,942.45	155,115.38	2,178.21	3,404.43	1,578.88	230,219.35

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Note 19: Other current liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Rebate liabilities	7,674.23	4,744.95
Interest on statutory dues	383.85	337.39
Statutory dues	10,703.14	10,660.71
Advance from customers	3,507.50	1,123.10
	22,268.72	16,866.15

Note 20: Revenue from operations

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Sale of products	1,010,858.73	811,623.92
Subsidy from the Government of India on fertilizers (refer note (c) below)	1,162,505.61	882,241.01
Sale of services	8,258.56	2.77
Other operating revenues - Scrap sales	1,011.12	1,997.06
Revenue from operations *	2,182,634.02	1,695,864.76

* Revenue is net of rebates, discounts and goods and service tax.

(a) Reconciliation of revenue recognised with contract price:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Contract price	2,203,896.38	1,719,179.83
Adjustment for:		
Variable considerations - rebates	(21,262.36)	(23,315.07)
Revenue from operations	2,182,634.02	1,695,864.76

(b) Contract balances

Particulars	As at 31 March 2026	As at 31 March 2025
Trade receivables	479,049.08	306,697.69
Contract liabilities - advance from customers	3,507.50	1,123.10

The contract liabilities convert to revenue within one year from the reporting date.

(c) Subsidy from Government of India on fertilizers:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
On finished goods [including freight subsidy ₹ 59,483.80 (31 March 2025: ₹ 50,914.00)]	953,727.12	822,402.47
On traded goods [including freight subsidy ₹ 10,333.85 (31 March 2025: ₹ 6,177.78)]	208,778.49	59,838.54
	1,162,505.61	882,241.01

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Note 21: Other income

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest income on:		
Bank deposits*	1,166.44	3,206.84
Income tax refund	286.43	181.65
Others*	1,419.13	840.82
Rent income	466.44	563.77
Loss allowance written back	76.44	427.80
Excess provision/unclaimed balances written back	335.14	828.81
Profit on sale of current investments	5,882.58	3,188.20
Miscellaneous income	5,024.90	5,566.48
	14,657.50	14,804.37

* Interest income calculated using effective interest method in relation to financial assets carried at amortised cost.

Note 22: Cost of raw materials consumed

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Inventory at the beginning of the year	135,112.09	103,726.02
Add: Purchases	1,422,856.27	1,065,213.12
Add: Adjustment on account of business acquisition (refer Note 45)	1,135.24	–
Less: Inventory at the end of the year	(226,785.34)	(135,112.09)
Less: Traded goods transferred from raw materials	(7,854.52)	(3,904.35)
Add: Traded goods transferred to raw materials	283.18	467.52
Cost of raw materials consumed	1,324,746.92	1,030,390.22

Note 23: Changes in inventories of finished goods, stock-in-trade and work in progress

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Opening stock		
– Finished goods	57,375.82	52,092.23
– Intermediates (work in progress)	15,837.14	11,531.61
– By-Products	14,029.11	14,388.26
– Traded goods (stock in trade)	13,140.67	2,922.47
Total (A)	100,382.74	80,934.57
Add:- Adjustment on account of business acquisition (refer Note 45)		
– Finished goods	1,112.28	–
– Intermediates (work in progress)	792.76	–
Total (B)	1,905.04	–
Less: Closing stock		
– Finished goods	124,016.21	57,375.82
– Intermediates (work in progress)	27,426.41	15,837.14
– By-Products	11,909.84	14,029.11
– Traded goods (stock in trade)	53,691.76	13,140.67
Total (C)	217,044.22	100,382.74
Traded goods transferred from raw materials	(7,854.52)	(3,904.35)
Traded goods transferred to raw materials	283.18	467.55
Total (D)	(7,571.34)	(3,436.80)
(Increase)/ decrease in inventories of finished goods, stock-in trade and work-in-progress (A+B-C-D)	(107,185.10)	(16,011.37)

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Note 24: Employee benefits expense

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Salaries, wages and bonus	27,239.45	26,241.50
Contribution to provident and other funds	2,126.25	1,992.61
Expenses related to post employment defined benefit plan (refer Note 32)	822.39	520.35
Staff welfare expenses	3,391.19	3,066.74
Share based payments (equity settled)	89.08	236.50
Total employee benefits expense	33,668.36	32,057.70

Note 25: Finance costs

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest expense on financial liabilities measured at amortised cost*	33,349.00	34,763.31
Exchange differences to the extent considered as an adjustment to borrowing costs	14,516.47	4,613.62
Bank charges	4,528.92	4,603.42
Interest on income tax	383.85	337.39
Total finance costs	52,778.24	44,317.74

* Net of amount included in the cost of qualifying assets.

Note 26: Depreciation and amortisation expense

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Depreciation of property, plant and equipment (refer Note 4(a))	39,864.41	33,980.35
Amortisation of intangible assets (refer Note 4(d))	116.84	98.68
Amortisation of right of use assets (refer Note 4(c))	338.41	349.97
Total depreciation and amortisation expense	40,319.66	34,429.00

Note 27: Other expenses

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Consumption of stores and spare parts	7,848.04	8,103.11
Consumption of packing materials	15,135.95	14,133.63
Chemical consumed	4,584.77	4,225.49
Catalysts consumed	1,911.78	644.47
Payment to contractors for bagging and other services	12,428.66	10,092.15
Power and fuel	116,365.17	135,757.67
Water charges	3,228.07	3,356.26
Rent [refer note (iii) below]	1,335.40	1,019.86
Rates and taxes	439.09	2,902.91
Insurance	4,179.49	3,458.14
Repairs and maintenance:		
Plant and machinery	11,113.03	7,978.01
Buildings	1,385.39	866.85
Others	1,765.99	1,589.04
Selling and distribution expenses:		
Freight and handling	108,148.20	95,784.13
Warehouse rent	1,015.15	760.82
Commission	–	284.55
Publicity and sales promotion expenses	2,094.72	1,552.75
Other selling expenses	720.47	1,101.30

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Travelling and conveyance expenses	1,810.37	1,581.71
Professional, consultancy and legal expenses	2,153.32	1,812.40
Corporate social responsibility expenditure [refer note (ii) below]	1,296.88	863.19
Donation *	1.39	1,502.20
Payment to statutory auditors [refer note (i) below]	312.22	229.20
Exchange differences (net)	5,029.86	3,803.61
Bad debts, claims and advances written off, net of provision of ₹ 1,683.00 (31 March 2025: ₹ 262.02)	7.26	389.22
Loss allowance	1,939.57	941.81
Loss on sale/discard of property, plant and equipment (net)	5,615.47	2,394.24
Miscellaneous expenses	8,614.89	10,196.33
Total other expenses	320,480.60	317,325.05

* Donation for the year ended 31 March 2025 includes contribution to prudent electoral trust of ₹ 1500

(i) Auditors' remuneration

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
As auditors *		
- Statutory audit	98.25	90.00
- Tax audit	10.00	10.00
- Other services	180.50	117.05
Reimbursement of expenses	23.47	12.15
	312.22	229.20

* Includes fees for predecessor auditor of erstwhile Mangalore Chemicals and Fertilizers Ltd ₹ 5.25

(ii) Corporate social responsibility

The Company has spent ₹ 1,296.88 (31 March 2025: ₹ 863.19) towards various scheme of Corporate Social Responsibility as prescribed under section 135 of the Companies Act, 2013 the details are as follows:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
a. Gross amount required to be spent by the Company during the year as approved by the Board	1,296.50	1,106.05
b (i) Amount spent during the year on construction /acquisition of any asset	—	—
b (ii) Amount spent during the year on purpose other than construction/ acquisition of any asset is as below:	—	—
- Skill Development and Livelihood promotion for marginalized households (Farm sector development)	168.17	—
- Promotion of Healthcare and WASH (Water, Sanitation and Hygiene)	167.17	194.38
- Promotion of Quality of Education and Educational Facilities in Villages	599.03	256.85
- Promotion of digital literacy program for unemployed youths and women	—	—
- Promote Environment and Biodiversity (Clean Energy etc.)	224.65	207.13
- Promotion of Sports at Villages and School Level	—	53.89
- Disaster mitigation, Emergency relief support and contingency	10.50	—
- Women Empowerment	—	8.70
- Community Asset and Rural infrastructure development	108.30	128.59
- Slum Area Development initiatives	—	—
- Need and impact assessment	19.06	13.66
Total	1,296.88	863.19

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

The Company had spent excess amount of ₹151.19 during the year ended 31 March 2024. The set off of the said amount was claimed in the financial year ended 31 March 2025.

(iii) Leases

Short-term leases

The Company leases office which are considered to be short-term leases as the agreement is for the period of 12 months and below.

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Expenses relating to short-term leases	1,335.40	1,019.86
Total cash outflow for leases	1,335.40	1,019.86

Lease payments for short-term leases not included in the measurement of the lease liability and are classified as cash flows from operating activities.

Note 28: Earnings per share

A. Basic and diluted earnings per share

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
(i) Profit for the year, attributable to the equity holders of the Company	99,684.40	66,285.60
(ii) Weighted average number of equity shares - Nominal value of shares at ₹10 each ^		
Basic (a)	1,037,711,061	1,036,662,110
Impact of employee stock option plans (b)	785,028	1,147,561
Diluted (c = a + b)	1,038,496,089	1,037,809,671
(iii) Earnings per share (Basic) [(i)/ (ii)]	9.61	6.39
(Diluted) [(i)/ (ii)]	9.60	6.39

Note:- The calculation of basic include impact of shares issued during the year. The calculation of diluted weighted average number of shares include impact of employee share option plans.

Note 29: Contingent liabilities (to the extent not provided for)

Particulars	As at 31 March 2026	As at 31 March 2025
Claims against Company not acknowledged as debt		
Subsidy withheld	–	5,352.12
Goods and services tax demand	2,393.10	1,915.52
Entry tax demand on imported raw materials including interest and penalty	2,649.97	2,909.39
Sales tax/VAT/CST demands	141.13	141.13
Central Excise demands	638.96	638.96
Service tax demand	15.49	15.49
Custom duty and countervailing duty	945.11	991.47
Income tax demands	2,537.71	2,537.71
Demand under Goa green Cess Act 2013	–	5,432.36
Others claims against the Company not acknowledged as debt (refer Note (a) below)	6,698.28	5,433.72

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Note 29: Contingent liabilities (to the extent not provided for) (continued)

a) Others claims against the Company not acknowledged as debt

It includes the following:

Particulars	As at 31 March 2026	As at 31 March 2025
Penal interest on loan from Government of India, due to delay	344.43	344.43
Industrial dispute and miscellaneous labour cases pending at various forums at different stages of dispute.	518.58	505.24
Interest on water charges due to delay in payments	5,804.64	4,576.92
Others	30.63	7.13
	6,698.28	5,433.72

Based on discussions with the solicitors / favorable decisions in similar cases / legal opinions taken by the Company, the management believes that the Company has a good chance of success in the above mentioned cases and hence, no provision is considered necessary. The above has been compiled based on the information and records available with the Company.

Note 30: Commitments

Capital commitments

Particulars	As at 31 March 2026	As at 31 March 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances	17,549.50	43,534.13

Note 31: Operating Segments

a. Basis of segmentation

The Company's business activity falls within a single Operating Segment "Fertilizers and Other Trading Materials", and thus no further disclosures are required in accordance with Indian Accounting Standard (Ind AS)– 108 "Operating Segment".

b. Geographic information

The Company primarily operates in and therefore no geographical segment information has been provided herein.

Note 32: Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits'

Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on terms not lower than the amount payable under Labour Code. The scheme is funded with Life insurance Corporation of India (LIC) in the form of qualifying insurance policy. The Company undertakes all the risk pertaining to the plan.

Post Retirement medical benefit plan

The Company has a defined benefit post retirement medical benefit plan, for its employees. The Company provides medical benefit to those employees who leave the services of the Company on retirement. As per the plan, retired employee and the spouse will be covered till the age of 85 years and the dependent children till they attain the age of 25 years. In case of death of retired employee, the spouse will be covered till the age of 85 years and the dependent children till they attain the age of 25 years. The plan is not funded by the Company.

Provident fund

The Company has set up provident fund trust wherein contributions are made and accordingly the same is considered as a defined benefit plan in accordance with Ind-AS 19, Employee Benefits, wherein provident funds set up by employers, which requires interest

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shortfall to be met by the employer, needs to be treated as defined benefit plan. During the current year, actuarial valuation of Provident Fund was carried out in accordance with the guidance note issued by the Institute of Actuaries.

A. Defined contribution plan:

The amount provided for defined contribution plans are follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Provident Fund	182.84	191.94
Pension Scheme	323.43	295.77
Superannuation Fund	264.77	272.22
National Pension Scheme	390.56	333.82
Total	1,161.60	1,093.75

B. Gratuity and other post-employment benefit plans:

Particulars	As at 31 March 2026	As at 31 March 2025
Gratuity Plan - (Liability)	(2,889.96)	(2,223.50)
Post retirement medical benefits plan - (Liability)	(232.56)	(110.14)

C. Other long term employee benefits:

The amount provided for during the year is as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Leave encashment	1,840.32	1,839.53

D. Reconciliation of the net defined benefit (asset)/ liability

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Gratuity plan:

Particulars	As at 31 March 2026			As at 31 March 2025 [Refer Note 44(a)]		
	Defined benefit obligation	Fair value of plan assets	Benefit (liability)	Defined benefit obligation	Fair value of plan assets	Benefit (liability)
Balance at the beginning of the year	(8,510.05)	6,286.55	(2,223.50)	(6,871.60)	5,753.60	(1,118.00)
Adjustment on account of business combination [refer Note 44(a)]	-	-	-	(1,482.93)	206.88	(1,276.05)
Balance at the beginning of the year (Restated)	(8,510.05)	6,286.55	(2,223.50)	(8,354.53)	5,960.48	(2,394.05)
Adjustment on account of business combination [refer Note 45]	(13.23)	-	(13.23)	-	-	-
Included in Profit or loss						
Current service cost	(462.45)	-	(462.45)	(349.25)	-	(349.25)
Past service cost	(2,637.99)	-	(2,637.99)	-	-	-
Net interest expense/income	(629.81)	423.27	(206.54)	(597.67)	425.97	(171.70)
	(3,730.24)	423.27	(3,306.98)	(946.92)	425.97	(520.95)
Included in OCI						
Return on plan assets (excluding amounts included in net interest expense)	-	120.31	120.31	-	(21.23)	(21.23)
Actuarial gain arising from experience adjustment	125.39	-	125.39	(377.24)	-	(377.24)
Changes in financial assumptions	350.84	-	350.84	(289.97)	-	(289.97)
Changes in demographic assumptions	-	-	-	(1.14)	-	(1.14)
	476.23	120.31	596.54	(668.35)	(21.23)	(689.58)
Others						
Benefits paid	1,361.10	(1,361.10)	-	1,459.75	(1,459.75)	-

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Contributions paid by employer	–	2,057.21	2,057.21	–	1,381.08	1,381.08
Other adjustments	–	–	–	–	–	–
Balance at the end of the year	(10,416.20)	7,526.24	(2,889.96)	(8,510.05)	6,286.55	(2,223.50)

Post retirement medical benefits plan:

Particulars	As at 31 March 2026			As at 31 March 2025 [Refer Note 44(a)]		
	Defined benefit obligation	Fair value of plan assets	Benefit (liability)	Defined benefit obligation	Fair value of plan assets	Benefit (liability)
Balance at the beginning of the year	(110.14)	–	(110.14)	(82.35)	–	(82.35)
Included in Profit or loss						
Current service cost	–	–	–	–	–	–
Past service cost	–	–	–	–	–	–
Net interest expense/income	(7.42)	–	(7.42)	(5.88)	–	(5.88)
	(7.42)	–	(7.42)	(5.88)	–	(5.88)
Included in OCI						
Return on plan assets (excluding amounts included in net interest expense)	–	–	–	–	–	–
Actuarial loss (gain) arising from experience adjustment	(125.28)	–	(125.28)	(18.62)	–	(18.62)
Changes in financial assumptions	10.28	–	10.28	(3.29)	–	(3.29)
Changes in demographic assumptions	–	–	–	–	–	–
	(115.00)	–	(115.00)	(21.91)	–	(21.91)
Balance at the end of the year	(232.56)	–	(232.56)	(110.14)	–	(110.14)

E. Investment pattern in plan assets:

Particulars	As at 31 March 2026	As at 31 March 2025
	Gratuity Fund	Gratuity Fund
Investment with insurers	100.00%	100.00%

F. Economic assumptions

Particulars	As at 31 March 2026	As at 31 March 2025
	%	%
Discount rate:		
Gratuity plan	7.35%	6.75%
Post retirement medical benefits	7.35%	6.75%
Future salary increase:		
Gratuity plan	8% for first two years and 6.50% thereafter	8% for first two years and 6.50% thereafter

G. Sensitivity analysis

Gratuity plan:

	As at 31 March 2026		As at 31 March 2025 [Refer Note 44(a)]	
	1% increase	1% decrease	1% increase	1% decrease
Sensitivity level				

Assumption: Discount rate

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Impact on defined benefit obligation	(609.14)	695.70	(470.03)	533.27
Assumption: Future salary increase				
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	416.33	(409.59)	377.40	(356.48)

Post retirement medical benefits plan:

	As at 31 March 2026		As at 31 March 2025 [Refer Note 44(a)]	
	Assumption: Discount rate			
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(15.59)	17.57	(7.92)	8.99

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

Sensitivities due to mortality & withdrawals are not material and hence impact of change has not been calculated.

H. Maturity Profile of Defined benefit obligation:

	As at 31 March 2026		As at 31 March 2025 [Refer Note 44(a)]	
	Gratuity Fund	Post retirement medical benefits plan	Gratuity Fund	Post retirement medical benefits plan
Within next 12 months	1,624.49	18.46	1,373.01	7.95
Between 2 and 5 years	5,040.71	77.91	4,419.71	33.99
Between 6 and 10 years	3,526.80	101.83	2,822.80	45.26
Beyond 10 Years	11,768.95	190.60	6,982.29	94.41

The weighted average duration of the defined benefit plan obligation relating to gratuity at the end of the reporting year is 6/10 years (31 March 2025: 5 years).

The Company expects to contribute ₹ 3,361.11 (31 March 2025: ₹ 2,601.63) and ₹ 1,247.52 (31 March 2025: ₹ 1,109.42) to gratuity trust and provident fund trust respectively in the next financial year.

I. Risk exposure

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the Company is exposed to various risks in providing the above defined benefit which are as follows:

Interest rate risk	The present value of defined benefit obligation is determined using the discount rate based on the market yield prevailing at the end of the reporting period on Government Bonds. A decrease in yield will increase the fund liabilities and vice-versa.
Investment Risk	This may arise from volatility in the assets value due to market fluctuation and impairment of assets due to credit losses. These plan assets are invested with LIC - the valuation of which is inversely proportional to the interest rate movements.
Inherent risk	The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risk pertaining to the plan. In particular, this exposes the Company, to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to longevity risk.

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Salary escalation risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
Withdrawal risk	Deviations in actual withdrawal than assumed withdrawals and change of withdrawal rates at subsequent valuation can impact plan liability.

Note 33: Related Party Disclosure

A. Name of Related Parties

Holding Company

Zuari Maroc Phosphates Private Limited

Joint Venturer of the Holding Company

Zuari Agro Chemicals Limited

OCP S.A., Morocco

Subsidiary of the Joint Venturer of the Holding Company

Zuari FarmHub Limited

Party having significant influence

Zuari Industries Limited (Erstwhile Zuari Global Limited)

Zuari Management Services Limited

Zuari Infracore India Limited

Zuari IAV Private Limited

Simon India Limited

Phosphates De Boucraa SA

Pakistan Maroc Phosphore

Jorf Fertilizer SA

OCP Nutricrops SA

OCP Maintenance Solutions

Kofert

Adventz Finance Private Limited

Zuari IAV Private Limited

Texmaco Rail & Engineering Limited

Joint Venture of Joint Venturer of the Holding Company

Indo Maroc Phosphore S.A. Morocco

Associate of the Company

Zuari Yoma Agri Solutions Limited

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for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Key Managerial Personnel

Mr. N. Suresh Krishnan, Managing Director

Mr. K K Rajeev Nambiar, Joint Managing Director & Chief Operating Officer (w.e.f. 1 April 2026)

Mr. Bijoy Kumar Biswal, Chief Financial Officer

Mr. Sachin Patil, Company Secretary

Directors

Mr. S. K. Poddar, Chairman

Mr. Akshay Poddar, Vice Chairman (w.e.f. 6 November 2025)

Mr. Karim Lotfi Senhadji, Director

Mr. Soual Mohamed, Director

Mr. Marco P.A. Wadia, Independent Director (w.e.f. 18 March 2026)

Mr. Satyananda Mishra, Independent Director

Mr. Dipankar Chatterji, Independent Director

Mr. Subhrakanta Panda, Independent Director

Mrs. Rita Menon, Independent Director

Mrs. Ruchira Kamboj, Independent Director (w.e.f. 6 November 2025)

Enterprise where Director is interested

Lionel India Limited

Employee benefit trust

PPL Employee's Provident Fund

B. Transactions :

Name of Related Party	Sl. No.	Nature of Transactions	For the year ended 31 March 2026	For the year ended 31 March 2025
Indo Maroc	a)	Purchase of raw materials (Phosphoric acid)	254,126.83	164,848.36
Phosphare S.A.	b)	Other expenses (Demurrage Expenses)	169.28	136.97
Morocco	c)	Other Income-Excess Liability written back	32.03	–
	d)	Other expenses (Claims Written off)	–	236.42
OCP S.A., Morocco	a)	Purchase of raw materials (Rock phosphate)	70,356.89	123,716.08
	b)	Purchase of raw materials (Phosphoric acid)	10,592.80	53,840.34
	c)	Other expenses (Despatch money / Demurrage expenses)	7.23	232.39
OCP Nutricrops SA	a)	Purchase of stock-in-trade (Imported TSP)	141,586.04	31,914.52
	b)	Purchase of stock-in-trade (Imported DAP)	–	28,630.48
	c)	Revenue from operations-Sale of service	8,255.48	–
OCP Maintenance Solutions	a)	Import of service	9.14	–
Kofert	a)	Purchase of stock-in-trade (Imported DAP)	67,945.85	18,227.85
Phosphates De	a)	Purchase of raw materials (Rock phosphates)	208,743.67	116,819.27
Boucraa S.A	b)	Other expenses (Despatch money/Demurrage Expenses)	170.63	(334.76)
Jorf Fertiliser SA	a)	Purchase of stock-in-trade (Imported TSP)	24,485.27	10,946.86
	b)	Purchase of stock-in-trade (Imported DAP)	44,888.58	–
	c)	Other expenses (Demurrage Expenses)	12.76	–
Zuari Agro Chemicals Limited	a)	Sale of fertilizers and high sea sale	2,603.75	–
	b)	Purchase of plant, property & equipment	–	1,205.00

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Name of Related Party	Sl. No.	Nature of Transactions	For the year ended 31 March 2026	For the year ended 31 March 2025
	c)	Other Expenses (Recovery of reimbursement of expenses)	179.85	2.02
	d)	Purchase of business	7,275.00	–
	e)	Other expenses (Claims written off)	–	318.34
	f)	Other expenses (Rent)	–	0.43
	g)	Other income (Interest others)	374.93	928.84
	h)	Dividend paid	960.43	960.43
Zuari Industries Limited (Erstwhile)	a)	Other expenses (Lease rent)	15.45	–
Zuari Global Limited)	b)	Dividend paid	–	4.59
Zuari FarmHub Limited	a)	Sale of fertilizers	30,917.32	26,873.54
	b)	Purchase of stock-in-trade (NANO DAP/Urea)	7,338.22	5,954.53
	c)	Other income (Misc income)	2,504.21	1,545.48
	d)	Recovery of expenses	5.13	–
	e)	Other Expenses (Reimbursement of expenses)	95.09	58.30
Simon India Limited	a)	Purchase of fixed asset	5,715.25	1,107.98
	b)	Advance paid for purchase of asset	1,121.81	–
	c)	Other Income-Rent	2.49	–
	d)	Other Expenses (Reimbursement of expenses)	666.47	40.85
Zuari Management Services Limited	a)	Other Expenses (Reimbursement of expenses)	1,198.91	992.84
Lionel India Limited	a)	Other expenses (Purchase of air ticket)	455.74	598.33
Adventz Finance Private Limited	a)	Other Expenses (Rent)	346.21	247.60
	b)	Dividend paid	–	65.25
Zuari IAV Private Limited	a)	Other Expenses (Reimbursement of expenses)	5.62	1.23
Texmaco Rail & Engineering Limited	a)	Other Income (Lease rent)	62.50	125.00
	b)	Other Expenses (Recovery of reimbursement of expenses)	–	11.17
Zuari Maroc Phosphates Private Limited	a)	Recovery of expenses	–	10.30
	b)	Purchase of Raw material-Sulphuric Acid & Ammonia	9,323.86	6,884.06
	c)	Other Expenses (Recovery of reimbursement of expenses)	25.00	–
	d)	Other Income-Excess Liability written back	10.30	–
	e)	Other Expenses (Reimbursement of expenses)	61.03	–
	f)	Dividend paid	4,569.43	2,284.71
PPL Employee's Provident Fund	a)	Employee benefits expense (Contribution to provident fund)	1,030.43	1,003.84
Mr. N Suresh Krishnan	a)	Managerial remuneration*	942.43	734.59
	b)	Dividend paid	1.40	0.02
Mr. K K Rajeev Nambiar	a)	Remuneration *	340.53	245.24
	b)	Dividend paid	1.64	–
Mr. Bijoy Kumar Biswal	a)	Remuneration *	120.45	94.53
	b)	Dividend paid	0.18	–
Mr. Sachin Patil	a)	Remuneration *	30.11	24.68
	b)	Dividend paid	0.04	–
Mr. Saroj Kumar Poddar	a)	Director Sitting Fee and commission	10.00	10.00
Mr. Akshay Poddar	a)	Dividend paid	21.04	21.04
Mrs. Kiran Dhingra	a)	Director Sitting Fee and commission	–	9.50
Mr. Marco P.A. Wadia	a)	Director Sitting Fee and commission	–	9.80
Mr. Satyananda Mishra	a)	Director Sitting Fee and commission	15.80	14.60
Mr. Dipankar Chatterjee	a)	Director Sitting Fee and commission	15.40	15.10

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Name of Related Party	Sl. No.	Nature of Transactions	For the year ended 31 March 2026	For the year ended 31 March 2025
Mr. Subhrakanta Panda	a)	Director Sitting Fee and commission	12.50	12.50
Mrs. Rita Menon	a)	Director Sitting Fee	16.20	11.40
Mrs. Ruchira Kamboj	a)	Director Sitting Fee	0.50	–

* The managerial remuneration to key management personnel include expenses related to post employment plans ₹351.48 and share based payments reversal of ₹52.35.

C. Balance outstanding

Particulars	Sl. No.	Nature of Transactions	As at 31 March 2026	As at 31 March 2025
Indo Maroc	a)	Trade payables - Purchase of raw material	50,161.46 Cr	40,918.81 Cr
Phosphore S.A. Morocco	b)	Claims receivable	6,186.02 Dr	3,906.16 Dr
OCP S.A., Morocco	a)	Trade Payable - Purchase of raw material	12,012.32 Cr	13,915.17 Cr
	b)	Claims receivable	8,573.20 Dr	16,248.38 Dr
	c)	Trade payables - Reimbursement of expenses	–	–
OCP Nutricrops SA	a)	Trade Payables - Purchase of traded material	190.26 Cr	–
	b)	Trade receivable - Service income	2,240.95 Dr	–
	c)	Claims receivable	–	3,063.87 Dr
OCP Maintenance Solutions	a)	Import of Service	9.14 Cr	–
Pakistan Maroc Phosphore SA	a)	Trade payables - Purchase of raw material	28.31 Cr	27.19 Cr
Phosphates De Boucraa S.A	a)	Trade Payables - Purchase of raw material	37,723.05 Cr	34,433.50 Cr
Jorf Fertiliser SA	b)	Claims receivable	25,065.30 Dr	23,240.39 Dr
	a)	Trade Payables - Purchase of raw material	–	678.84 Cr
	b)	Claims receivable	271.39 Dr	1,520.38 Dr
	c)	Trade Payables - Purchase of traded material	764.90 Cr	13.57 Cr
Zuari Yoma Agri Solutions Limited	a)	Investment in associate	365.60 Dr	365.60 Dr
	b)	Other receivable - Reimbursement of expenses	56.18 Dr	56.18 Dr
Zuari Agro Chemicals Limited	a)	Trade receivables - Sale of fertilizers	–	8,891.09 Dr
	b)	Other financial assets-Interest receivables	6126.64 Dr	5845.51 Dr
	c)	Trade receivable - Reimbursement of expenses	8.28 Dr	0.86 Dr
	d)	Other Financial Assets -Other Receivable	16.06 Dr	–
Zuari FarmHub Limited	a)	Trade receivables - Sale of Fertilizers	7,347.61 Dr	4,772.64 Dr
	b)	Trade payable	–	6.83 Cr
	c)	Trade receivables - Recovery of expenses	–	10.38 Dr
Simon India Limited	a)	Capital advance - Purchase of fixed asset	1,457.46 Dr	335.65 Dr
	b)	Advance to vendors	0.46 Dr	8.85 Dr
	c)	Trade receivable - Rent income	2.49 Dr	–
	d)	Trade Payable - Reimbursement of expenses	–	5.40 Cr
	e)	Other financial liabilities-Creditors of PPE	1,362.49 Cr	–
Zuari Management Services Limited	a)	Trade Payables - Reimbursement of expenses	–	36.37 Cr
Zuari Infraworld India Limited	a)	Advance to vendors - Reimbursement of expenses	25.61 Dr	25.61 Dr
Lionel India Limited	a)	Trade payables - Purchase of air ticket	130.85 Cr	102.20 Cr
Texmaco Rail & Engineering Limited	a)	Trade Receivables - Leased rent	–	22.50 Dr
	b)	Other financial liabilities - security deposit	62.50 Cr	62.50 Cr

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(All amounts are in rupees lakhs, unless otherwise stated)

Particulars	Sl. No.	Nature of Transactions	As at 31 March 2026	As at 31 March 2025
Adventz Finance Private Limited	a)	Security deposit	170.00 Dr	60.00 Dr
Zuari IAV Private Limited	a)	Trade payables	–	1.21 Cr
Zuari Maroc Phosphates Private Limited	a)	Trade payables	–	10.30 Cr
PPL Employee's Provident Fund	a)	Contribution to provident fund	83.80 Cr	84.06 Cr

Note 34: Financial instruments - Fair value of financial assets and financial liabilities

(a) Accounting classifications and fair values:

Particulars	Fair Value Hierarchy	As at 31 March 2026	As at 31 March 2025
Derivative financial liabilities	Level 2	–	4,686.37
Investments	Level 2	2,099.02	26,909.79
Derivative financial assets	Level 2	15,690.50	–

Particulars	For the year ended 31 March 2026			For the year ended 31 March 2026		
	FVTPL	FVOCI	Amortised cost *	Level 1	Level 2	Level 3
Financial assets						
Investments	329.50	–	–	–	329.50	–
Other financial assets	–	–	2,404.96	–	–	–
Current financial assets						
Trade receivables	–	–	479,049.08	–	–	–
Cash and cash equivalents	–	–	36,344.81	–	–	–
Other bank balances	–	–	2,807.38	–	–	–
Other current financial assets						
Derivative financial asset	15,690.50	–	–	–	15,690.50	–
Claims receivable	–	–	42,671.11	–	–	–
Investments	1,769.52	–	–	–	1,769.52	–
Interest receivable on deposits, receivables etc	–	–	6,285.84	–	–	–
Receivables from Gas pool operator	–	–	386.55	–	–	–
Other receivable	–	–	16.06	–	–	–
Total financial assets	17,789.52	–	569,965.79	–	17,789.52	–
Financial liabilities						
Non-current financial liabilities						
Borrowings	–	–	81,580.72	–	–	–
Lease liabilities	–	–	3,055.50	–	–	–
Other non-current financial liabilities	–	–	22.36	–	–	–
Current financial liabilities						
Borrowings	–	–	605,651.60	–	–	–
Lease liabilities	–	–	339.94	–	–	–
Trade and other payables	–	–	328,471.71	–	–	–
Security deposits	–	–	20,423.21	–	–	–
Total financial liabilities	–	–	1,039,545.04	–	–	–

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Particulars	As at 31 March 2025			As at 31 March 2025		
	FVTPL	FVOCI	Amortised cost *	Level 1	Level 2	Level 3
Financial assets						
Current financial assets						
Trade receivables	–	–	306,697.69	–	–	–
Cash and cash equivalents	–	–	93,450.32	–	–	–
Other bank balances	–	–	10,178.78	–	–	–
Other current financial assets						
Claims receivable	–	–	49,286.09	–	–	–
Investments	26,909.79	–	–	–	26,909.79	–
Interest receivable on deposits, receivables etc	–	–	6,370.33	–	–	–
Receivables from Gas pool operator	–	–	3,297.58	–	–	–
Lease rent receivable	–	–	51.84	–	–	–
Total financial assets	26,909.79	–	469,332.63	–	26,909.79	–
Financial liabilities						
Non-current financial liabilities						
Borrowings	–	–	85,312.71	–	–	–
Lease liabilities	–	–	3,400.06	–	–	–
Other non-current financial liabilities	–	–	86.94	–	–	–
Current financial liabilities						
Borrowings	–	–	421,030.41	–	–	–
Lease liabilities	–	–	232.09	–	–	–
Trade and other payables	–	–	241,019.87	–	–	–
Derivatives financial liabilities	4,686.37	–	–	–	4,686.37	–
Security deposits	–	–	19,238.16	–	–	–
Total financial liabilities	4,686.37	–	770,320.24	–	4,686.37	–

* The carrying amounts of these financial instruments are a reasonable approximation of their fair value.

The fair value of investments in mutual funds is based on the net asset value (NAV) as stated by the issuers of these mutual fund units in the published NAV statements as at the Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which the issuer will redeem such units from the investors.

The fair value of derivatives is determined using quoted forward exchange rates at the reporting date.

There has been no transfer between level 1, level 2 and level 3 during the year.

(b) Class of the carrying amounts and fair value of the Company's financial instruments:

Particulars	Carrying value		Fair value	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Financial assets				
Investments	2,099.02	26,909.79	2,099.02	26,909.79
Others:				
Derivative financial assets	15,690.50	–	15,690.50	–
Total financial assets	17,789.52	26,909.79	17,789.52	26,909.79
Financial liabilities				
Borrowings				
Long term borrowings (Floating rate)	81,580.72	85,312.71	81,580.72	85,312.71
Lease liabilities	3,055.50	3,400.06	3,055.50	3,400.06
Others:				
Derivative financial liabilities	–	4,686.37	–	4,686.37
Employee related dues	22.36	24.44	22.36	24.44
Total financial liabilities	84,658.58	93,423.58	84,658.58	93,423.58

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

The management assessed that cash and cash equivalents, other bank balance, trade receivables, other current financial assets (except derivative financial assets), trade payables, short term borrowings and other current financial liabilities (except derivative financial liabilities) approximate their fair value largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Note 35: Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also enters into derivative contracts. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's risk management is carried out by treasury department under policies approved by the Board of Directors. The treasury department identifies, evaluates and hedges financial risks. The Board of Directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

A Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Financial assets

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the guidelines framed by the Board of directors of the Company. Guidelines broadly covers the selection criterion and over all exposure which the Company can take with a particular financial institution or bank. Further the guideline also covers the limit of overall deposit which the Company can make with a particular bank or financial institution. The Company does not maintain the significant amount of cash and deposits other than those required for its day to day operations.

Trade receivables

The Company receivables can be classified into two categories, one is from the customers into the market and second one is from the Government in the form of subsidy. As far as Government portion of receivables are concerned, credit risk is nil. For market receivables from the customers, the Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets. The Company has also taken security deposits from its customers, which mitigates the credit risk to some extent.

Reconciliation of loss allowance on:	Trade receivables amount	Other financial assets amount
Balance as at 1 April 2024	6,369.13	209.79
Movement during the year	1,434.03	368.00
Balance as at 31 March 2025	7,803.16	577.79
Movement during the year	(93.31)	–
Balance as at 31 March 2026	7,709.85	577.79

B Liquidity risk

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements at all times. The Company relies on a mix of borrowings and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium/ long term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as at 31 March 2026:

Particulars	Carrying amount	Less than 1 year	1-5 Years	> 5 years
Trade payables	308,446.64	308,446.64	–	–
Borrowings (including current maturities of non-current borrowings)	687,232.32	605,651.60	81,580.72	–
Other financial liabilities	40,470.64	40,448.28	22.36	–
Lease liabilities	3,395.44	523.14	1,831.90	4,246.96
Total	1,039,545.04	955,069.66	83,434.98	4,246.96

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as at 31 March 2025:

Particulars	Carrying amount	Less than 1 year	1-5 Years	> 5 years
Trade payables	230,219.35	230,219.35	–	–
Borrowings (including current maturities of non-current borrowings)	506,343.12	421,030.41	85,312.71	–
Other financial liabilities	34,811.99	34,725.05	86.94	–
Lease liabilities	3,632.15	540.37	2,093.27	4,800.33
Total	775,006.61	686,515.18	87,492.92	4,800.33

C Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant. The analysis exclude the impact of movements in other market variables. Refer sensitivity analyses below.

The following assumptions have been made in calculating the sensitivity analysis:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2026 and 31 March 2025.

(a) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

Sensitivity analysis

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates of various currencies with ₹, with all other variables held constant. The impact on the Company's profit before tax and equity is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives. Refer Note 37 for details on foreign currency exposure.

Particulars	Profit and loss	
	As at 31 March 2026	As at 31 March 2025
₹/USD strengthening [5% movement]	(4,005.97)	(68.85)
₹/USD weakening [5% movement]	4,005.97	68.85
₹/EURO strengthening [5% movement]	(3.27)	(99.92)

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

₹/EURO weakening [5% movement]	3.27	99.92
₹/AED strengthening [5% movement]	(165.52)	(5.70)
₹/AED weakening [5% movement]	165.52	5.70

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company manages fund requirements and performs sensitivity analysis to keep interest rate risk within limits.

Sensitivity analysis

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax and equity is affected through the impact on floating rate borrowings, as follows:

Particulars	Profit and loss	
	As at 31 March 2026	As at 31 March 2025
₹ Borrowings		
Variable rate instruments - increase by 50 basis points	(1,469.56)	(970.50)
Variable rate instruments - decrease by 50 basis points	1,469.56	970.50
Foreign Currency Borrowings-USD		
Variable rate instruments - increase by 50 basis points	(1,772.46)	(1,259.73)
Variable rate instruments - decrease by 50 basis points	1,772.46	1,259.73
Foreign Currency Borrowings-EURO		
Variable rate instruments - increase by 50 basis points	–	(212.20)
Variable rate instruments - decrease by 50 basis points	–	212.20
Foreign Currency Borrowings-AED		
Variable rate instruments - increase by 50 basis points	(192.35)	(89.28)
Variable rate instruments - decrease by 50 basis points	192.35	89.28

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

(c) Commodity price risk

The Company's operating activities require the ongoing purchase of rock phosphates, phosphoric acid, sulphur and muriatic potash. All being international commodities is subject to price fluctuation on account of the change in the demand supply pattern and exchange rate fluctuations. The Company is not affected by the price volatility of the raw materials as government on a time to time basis, revises the subsidy rates payable to the fertilizer industry based on the market trend.

Note 36: Capital management

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital keeping in view the adequate interest and debt service coverage ratio.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Note 37: Unhedged foreign currency exposure

- (a) Forward contract outstanding as at 31 March 2026, against import of goods is ₹ 501,200.81 (31 March 2025: ₹ 492,199.59).
- (b) Details of un-hedged foreign currency exposure as on the Balance Sheet date are as follows:

Particulars	As at 31 March 2026				As at 31 March 2025			
	(USD in million)	(EURO in million)	(AED in million)	(₹ In lakhs)	(USD in million)	(EURO in million)	(AED in million)	(₹ In lakhs)
Liabilities:								
Trade Payable and Creditors for Property Plant and Equipment (including acceptance)	106.65	0.06	–	101,209.17	60.61	0.14	0.15	51,969.80
Short term borrowings- Buyers and Suppliers Credit	25.04	–	11.43	26,693.18	–	1.95	–	1,797.70
Other Interest accrued but not due on borrowings	1.87	–	1.39	2,129.88	1.30	0.22	0.34	1,389.92
Assets:								
Claims receivable	49.07	–	–	46,536.90	60.29	–	–	51,528.66

Note 38: Reconciliation of liabilities from financing activities.

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025 [Refer Note 44(a)]
Balance at the beginning of the year		
– Non-current borrowings	85,312.71	67,650.58
– Current borrowings	421,030.41	331,786.96
On account of business combination		
– Non-current borrowings	–	29,880.96
– Current borrowings	–	72,063.62
Cash flows		
– Proceeds/(Repayment) of non-current borrowings	(575.65)	(16,399.40)
– Proceeds/(Repayment) of current borrowings	145,402.87	20,104.24
Non-cash changes - represents foreign exchange fluctuation and unwinding of interest	36,061.98	1,256.16
Balance at the end of the year		
– Non-current borrowings	81,580.72	85,312.71
– Current borrowings	605,651.60	421,030.41

Note 39

- a) The Company, in an earlier year, had received an Arbitration Award in its favour in the matter of Cargo Charges Tariff dispute with Paradeep Port Trust (PPT) for the years 1993–1999. PPT in earlier year had appealed with the higher authorities against such award which was confirmed by the Appellate Authority. However, as against the above order, the PPT went into further appeal with the Hon'ble High Court of Odisha and the High Court in its interim order directed the Company not to execute award at this stage. The Company has not recognized this award as income in the Statement of Profit and Loss.
- b) Paradeep Port Trust (PPT) proposed a revision in scale of rates applicable to the Company for cargo handling in the captive berth w.e.f. 1 April 1999. The matter was referred to Tariff Authority of Major Ports (TAMP) on mutual consent of the parties under the direction of Hon'ble High Court of Odisha. During the previous year, TAMP had finalized the rates, but PPT had not agreed with the order and proceeded with a writ petition before the Hon'ble High Court of Odisha against the said order. Pending disposal of the case, the Company has not recognized the amount receivable from PPT towards the excess amount paid over the applicable TAMP order.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Note 40

During the year, a sum of ₹ 102.60 (31 March 2025: ₹ 173.68) including capital expenditure of ₹ 3.06 (31 March 2025: ₹ 53.71) was spent on research and development (excluding depreciation charge).

Note 41 : Analytical ratios

Ratio	Numerator	Denominator	Current year	Previous year	% change
Current ratio (in times)	Total current assets	Total current liabilities	1.15	1.16	-1%
Debt-Equity ratio (in times)	Total borrowings	Total equity	1.01	0.86	18%
Debt service coverage ratio (in times) (Note a)	Earning for Debt Service = Profit for the year + Interest expenses + Depreciation and amortisation expenses + Loss on sale/discard of property, plant and equipment	Debt service = Interest + Current maturity of non current borrowings	2.34	1.84	27%
Return on equity ratio (in %) (Note a)	Profit for the year	Average total equity	15.75%	11.89%	32%
Inventory turnover ratio (in times)	Revenue from operations	Average inventory	6.05	7.72	-22%
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	5.42	5.71	-5%
Trade payables turnover ratio (in times)	Purchase of raw materials and traded goods	Average trade payables	6.75	6.55	3%
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	16.67	20.17	-17%
Net profit ratio (in %)	Profit for the year	Revenue from operations	4.59%	3.91%	17%
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Tangible Net worth + Total debt + Deferred tax liabilities	13.60%	12.10%	12%

Notes:

- a The % change is primarily on account of higher profits earned during the year.
- b The Company is not an investment entity hence return on investment ratio is not applicable.

Note 42 : Employee share based payment

Pursuant to the resolutions passed by the Board and by the Shareholders on 10 August 2021, the Company approved 'PPL Employees Stock Option Plan 2021 ("ESOP 2021")' is in compliance with the SEBI SBEB Regulations. The ESOP Scheme is for issue of employee stock options to eligible employees. Upon exercise and payment of the exercise price, an option holder will be entitled to be allotted one Equity Share per employee stock option.

The details of ESOPs are as under:

Vesting conditions	Exercise period	Date of Grant	Numbers of options granted	Exercise price per share
On continued employment with the Company	3 years from date of each vesting	29 April 2022	2,400,058	₹42
On continued employment with the Company	3 years from date of each vesting	20 June 2023	814,435	₹51
On continued employment with the Company	3 years from date of each vesting	5 February 2024	438,319	₹51 to ₹64
On continued employment with the Company	3 years from date of each vesting	13 February 2026	289,392	₹77 to ₹117

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Vesting schedule :

Vesting schedule of the said options granted on 29 April 2022 , 20 June 2023 , 5 February 2024 and 13 February 2026 was as follows:

- After 12 Months from the date of grant : 30 % of the options granted
- After 24 Months from the date of grant : 35 % of the options granted
- After 36 Months from the date of grant : 35 % of the options granted

The Exercise period shall not be more than 3 (Three) years from the date of respective vesting of Options. The options granted may be exercised by the Grantee at one time or at various points of time within the exercise period as determined by the Committee from time to time.

The fair value of the options and the inputs used in the measurement of fair value as on the grant date are as follows:

Particulars									
Grant date	29 April 2022	1 July 2023	5 February 2024	5 February 2024	5 February 2024	5 February 2024	13 February 2026	13 February 2026	13 February 2026
Fair value at grant date(₹)	16.36	31.03	46.43	43.94	42.52	40.28	69.37	68.33	67.82
Share price at grant date(₹)	41	63.20	80.90	80.90	80.90	80.90	122.75	122.75	122.75
Exercise price(₹)	42	51	51	56	59	64	77	79	80
Expected Life (expected weighted average life)	3.55	3.55	3.55	3.55	3.55	3.55	3.55	3.55	3.55
Expected dividend yield (%)	0	0	0	0	0	0	0	0	0
Expected volatility	45%	45%	45%	45%	45%	45%	45%	45%	45%
Risk free interest rate (based on zero-yield curve for Government Securities)	6.48%	7.19%	7.19%	7.19%	7.19%	7.19%	6.29%	6.29%	6.29%

Particulars									
Grant date	13 February 2026	13 February 2026	13 February 2026	13 February 2026	13 February 2026	13 February 2026	13 February 2026	13 February 2026	13 February 2026
Fair value at grant date(₹)	67.32	66.32	62.96	62.04	61.59	60.69	56.02	53.66	51.79
Share price at grant date(₹)	122.75	122.75	122.75	122.75	122.75	122.75	122.75	122.75	122.75
Exercise price(₹)	81	83	90	92	93	95	106	112	117
Expected Life (expected weighted average life)	3.55	3.55	3.55	3.55	3.55	3.55	3.55	3.55	3.55
Expected dividend yield (%)	0	0	0	0	0	0	0	0	0
Expected volatility	45%	45%	45%	45%	45%	45%	45%	45%	45%
Risk free interest rate (based on zero-yield curve for Government Securities)	6.29%	6.29%	6.29%	6.29%	6.29%	6.29%	6.29%	6.29%	6.29%

Reconciliation of outstanding share options:

Particulars	As at 31 March 2026	As at 31 March 2025
Number of Options Outstanding at the beginning of the year	2,361,899	2,861,363
Number of Options granted during the year	289,392	–
Number of Options forfeited/lapsed during the year	74,741	68,017
Number of Options exercised during the year	1,337,170	431,447
Number of Options outstanding at the end of the year	1,239,380	2,361,899
Number of Options exercisable at the end of the year	550,071	850,229

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Expense arising from share based payment transactions:

Total expenses arising from share-based payment transactions recognised in Statement of Profit and Loss as part of employee benefit expense are as follows:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Expenses on Employees Stock Options Scheme	89.08	236.5

Note 43

- The Company, has not entered into any transactions with struck off companies, during the year ended 31 March 2026 (previous year ended 31 March 2025).
- 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 directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries. The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 44(a) : Business combination

The Scheme of Arrangement between Paradeep Phosphates Limited ("the Company" or "the Transferee Company"), Mangalore Chemicals and Fertilizers Limited ("MCFL" or "the Transferor Company") and their respective shareholders and creditors has been approved by the Bangalore bench and Cuttack bench of the National Company Law Tribunal ("the NCLT") on 24 September 2025 and 26 September 2025 respectively for a consideration of ₹ 170,649.96 discharged by issue of 221,623,331 shares. The appointed date of the scheme is 1 April 2024 which has been considered as the acquisition date. MCFL is engaged in the business of manufacture and sale of urea, complex fertilisers and other allied products. As per the acquisition method prescribed in Ind AS 103, purchase consideration has been allocated on a provisional basis, pending determination of the fair value of the acquired assets and liabilities. The purchase price allocation is expected to be completed within one year from the date of acquisition.

(i) Provisional fair value of identifiable assets acquired and liabilities assumed as on the date of acquisition is as below:-

Particulars	As at 1 April 2024
ASSETS	
I. Non-current assets	
(a) Property, plant and equipment	176,854.73
(b) Right-of-use assets	1,543.94
(c) Capital work-in-progress	1,117.25
(d) Intangible assets	5,754.18
(e) Other income tax assets	99.75
(f) Financial assets	588.74
(g) Other non-current assets	2,521.62
Total non-current assets	188,480.21
II. Current assets	
(a) Inventories	17,068.59
(b) Financial assets	
(i) Investments	0.10
(ii) Trade receivables	57,055.89
(iii) Cash and cash equivalents	27,942.94
(iv) Bank balances other than (iii) above	4,886.42
(v) Other financial assets	5,480.99
(c) Other current assets	14,894.71
Total current assets	127,329.64
Total assets A (I+II)	315,809.85
Liabilities	

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Particulars	As at 1 April 2024
(1) Non-current liabilities	
(a) Financial liabilities	
(i) Borrowings	29,880.96
(ii) Lease Liabilities	1,862.23
(b) Provisions	1,272.19
(c) Deferred tax liabilities (net)	14,584.88
Total non-current liabilities	47,600.26
(II) Current liabilities	
(a) Financial liabilities	
(i) Borrowings	72,063.77
(ii) Lease Liabilities	55.32
(iii) Trade payables	14,917.39
(iv) Other financial liabilities	15,153.08
(b) Other current liabilities	752.42
(c) Provisions	1,627.44
(d) Current tax liabilities	1,093.42
Total current liabilities	105,662.84
Total liabilities B (I+II)	153,263.10
Total fair value of net assets acquired C (A-B)	162,546.75
Closing Consideration D	170,649.96
Goodwill (D-C)	8,103.21

- (ii) Acquisition related costs amounting to ₹ 2,500.00 as stamp duty have been recognized on provisional basis under rates and taxes in the Standalone Statement of Profit and Loss for the year ended 31 March 2025 within Other expenses.
- (iii) The goodwill recognized is attributable to expected synergies from combining operations of the Company and acquired business and would not be deductible for tax purposes.
- (iv) In relation to property, plant and equipment acquired through business combination fair valuation was determined based on the valuation model which considered market prices for similar items and depreciated replacement cost, as appropriate. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence.
- (v) **Contingent liabilities was recognized on acquisition, the details of which are as under:-**

Particulars	As at 1 April 2024
Income tax	358.04
Customs duty demand	409.03
Excise duty	638.96
Service tax	15.49
Others	3.50

Note 44(b): Impairment of goodwill

Key Assumptions	As at 31 March 2026	As at 31 March 2025
Annual growth rate for next 5 years	0.56% to 0.71%	3% to 7%
Terminal growth rate	3%	5%
Weighted average cost of capital after tax %	11.73%	12.97%

The projections cover a period of five years, as the Company believes this to be the most appropriate time period over which to review and consider annual performances and thereafter fixed terminal value has been considered. Terminal growth rate considered is in

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

line with the GDP growth rate. The cashflows considered was based on expectation of future outcomes taking into account past experience, adjusted for anticipated revenue growth.

Weighted Average Cost of Capital % (WACC) = Risk free return + (Market risk premium x Beta for the Company)

The goodwill is tested for impairment annually and based on such testing, no provision towards impairment has been considered necessary in each of the year presented.

Note 45:

On 30 September 2025, Mangalore Chemicals and Fertilizers Limited (merged with the Company) completed the acquisition of a part of business of Zuari Agro Chemicals Limited ("ZACL") including its granulated single super phosphate plant situated at Mahad, Maharashtra and certain related assets on slump sale basis. The fair value of assets and liabilities acquired have been accounted for in accordance with Ind AS 103 'Business Combinations' and a resultant goodwill of ₹2.24 crores has been recognised.

Note 46:

On November 21, 2025, the Government of India notified four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 consolidating 29 hitherto existing labour laws. The Ministry of Labour & Employment published draft Rules and FAQs to enable assessment of the financial impact due to these changes in regulations. The management has assessed and disclosed the incremental impact of these changes as an "Exceptional item" in these financial statements for the year ended March 31, 2026. The management will continue to track and evaluate the impact of the rules notified by the Central/State Government post 31 March 2026 and consider the appropriate accounting effect in the relevant periods, as needed.

Note 47:

The Standalone Financial Statements were approved for issue by the Board of directors on 11 May 2026

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

Jayanta Mukhopadhyay
Partner
Membership No: 055757

Place: Bengaluru
Date: 11 May 2026

For and on behalf of the Board of Directors of
Paradeep Phosphates Limited
CIN: L20122OR1981PLC001020

N. Suresh Krishnan
Managing Director
DIN: 00021965

Place: Bengaluru
Date: 11 May 2026

Sachin Patil
Company Secretary

Place: Bengaluru
Date: 11 May 2026

S.K. Poddar
Chairman
DIN: 00008654

Place: Bengaluru
Date: 11 May 2026

Bijoy Kumar Biswal
Chief Financial Officer

Place: Bengaluru
Date: 11 May 2026

Independent Auditors' Report

To the Members of **Paradeep Phosphates Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **Paradeep Phosphates Limited** (hereinafter referred to as the "Company") and its associate, which comprise the consolidated balance sheet as at 31 March 2026, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company and its associate as at 31 March 2026, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs 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 associate in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant

provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Emphasis of Matter

- a. We draw attention to Note 44(a) to the consolidated financial statements which describes the overall accounting for and in particular basis for restatement of the comparatives for the year ended 31 March 2025 by the Company's management consequent to the Scheme of arrangement ('Scheme') for amalgamation of MCFL with the Company. The Scheme has been approved by the NCLT vide its order dated 26 September 2025 with appointed date of 01 April 2024 and a certified copy has been filed by the Company with the Registrar of Companies, Odisha and Karnataka, on 16 October 2025. We further draw attention to the fact that in accordance with the Scheme approved by the NCLT, the Company has given effect to the Scheme from the retrospective appointed date specified therein i.e. 01 April 2024 which overrides the relevant requirement of Ind AS 103 "Business Combinations" (according to which the Scheme would have been accounted for from 16 October 2025 which is the date of acquisition as per the aforesaid standard). The financial impact of the aforesaid treatment has been disclosed in the aforesaid note.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements 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.

Recognition of subsidy revenue

See Note 20 to consolidated financial statements

The key audit matter

The Company recognizes the subsidy revenue from the Department of Fertilisers, Government of India ('GoI'). The revenue is recognised as per Nutrient Based Subsidy Policy ('NBS Policy') for Phosphatic and Potassic fertilisers and New Pricing Scheme for Urea at the time of sale of goods to its customers.

How the matter was addressed in our audit

In view of the significance of the matter, we performed the following procedures:

- evaluated the design, implementation and operating effectiveness of internal controls for recognition and recoverability of subsidy revenue
- read the relevant notifications and circulars issued by the GoI from time to time with regard to subsidy policies

The key audit matter	How the matter was addressed in our audit
Subsidy revenue is recognized on the basis of rates notified from time to time by the Department of Fertilisers, Government of India in accordance with NBS Policy and New Pricing Scheme. It is recognised on the basis of quantity of fertilisers sold by the Company. Further, recognition and realisability of subsidy income is subject to various conditions as per the GoI Policy. During the year, the Company has recognised ₹ 1,162,505.61 lakhs as subsidy revenue and out of this an amount of ₹ 384,728.31 lakhs is receivable as on 31 March 2026. In view of the significance of subsidy revenue and significant judgements involved around the interpretation and satisfaction of conditions specified in GoI policy, we have considered recognition of subsidy income as a key audit matter.	• tested the subsidy rates considered by the Company for the product subsidy with the applicable circulars and notifications and relevant available pricing data of fertilisers and raw materials • reconciled the sales quantity considered for subsidy revenue with the actual sales quantity made by the Company • reconciled the quantities considered for estimation of subsidy revenue with quantities as per Integrated Fertilizer Management System • evaluated the Company's assessment regarding compliances with relevant conditions as specified in the notifications and policies relating to subsidy • understood and challenged the basis of judgements made in relation to the relevant notifications/circulars including past precedence and subsequent evidence, as applicable

Accounting for business combination

See Note 44(a) to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
During the year ended 31 March 2026, the Company completed the acquisition of Mangalore Chemicals & Fertilizers Limited pursuant to the approval of Scheme of Arrangement by National Company Law Tribunal with an appointed date of 1 April 2024. The Company has accounted for this acquisition as a business combination as per Ind AS 103 with effect from the appointed date. The Company carried out a purchase price allocation as of the acquisition date. It accounted for its assets, liabilities and disclosed contingent liabilities as of the acquisition date. The excess of purchase price paid over net assets has been recognized as goodwill. The Company has involved external valuers for determination of fair value of land, buildings and other property, plant and equipment using relevant valuation models. Given the complexity and judgements involved in fair value measurement of the acquisition, we have considered this as a key audit matter.	Our audit procedures included the following: • Read the approved scheme of arrangement to understand the key terms and conditions. • Assessed the accounting treatment followed is in compliance with Ind AS 103. • Inspected work of the experts by examining the valuation reports. • Evaluated the purchase price allocation and checked valuation of tangible assets by involving our internal valuation specialists. • Assessed the adequacy of the Company's disclosure is in line with Ind AS 103.

Impairment of Goodwill

See Note 44(b) to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Company tests goodwill for impairment of Goa plant annually or more frequently when there is an indication of impairment of the cash generating unit to which goodwill relates. The annual impairment testing of goodwill involves significant estimates and judgment due to the inherent uncertainty involved in forecasting and discounting future cash flows. Accordingly, impairment assessment of goodwill is considered a key audit matter	Our audit procedures relating to impairment testing included the following: • Evaluated design and implementation and tested operating effectiveness of controls. • Assessed the valuation methodology and challenged the assumptions such as discount rate, revenue growth rate, terminal growth rate used with the assistance of our valuation specialists. • Evaluated the adequacy of disclosures in respect of the same in the financial statements.

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

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's directors' report, but does not include the financial statements and auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Company including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the Company and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the Company and of its associate are responsible for assessing the ability of each Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors 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 of its associate are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its associate 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.

We communicate with those charged with governance of 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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- The consolidated financial statements include the Company's share of net loss of ₹ 48.81 lakhs and other comprehensive income of ₹ 85.06 lakhs for the year ended 31 March 2026, as considered in the consolidated financial statements, in respect of its associate, whose financial information has not been audited by us or by other auditor. This unaudited financial information has 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 this associate, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid associate, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information is not material to the Company.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to the financial information certified by the Management.

- The corresponding amounts for the year ended 31 March 2025, in so far it pertains to the transferor company, which has been accounted as stated in Note 44(a), are based on the audited financial statements of the transferor Company (prior to recognition of adjustments in accordance with requirements of Ind AS 103 "Business Combinations", which have been audited by us) for the year ended 31 March 2025 that were audited by another auditor who had

expressed an unmodified opinion on 7 May 2025. Further, the adjustments for the accounting effects of the Scheme have been audited by us.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

- 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 paragraphs 3 and 4 of the Order, to the extent applicable.
- As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books except for the matter stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - On the basis of the written representations received from the directors of as on 31 March 2026 and 1 April 2026 taken on record by the Board of Directors of the Company, none of the directors of the Company is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.
 - the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2026 on the consolidated financial position of the Company. Refer Note 29 to the consolidated financial statements.
- b. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2026.
- c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2026.
- d. (i) The management of the Company represented that, to the best of its knowledge and belief, as disclosed in the Note 43(b) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The management of the Company represented that, to the best of its knowledge and belief, as disclosed in the Note 43(b) to the consolidated financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) 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 (i) and (ii) above, contain any material misstatement.

- e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 13 to the consolidated financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- f. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility except that that audit trail was not enabled at the database level for accounting software to log any direct data changes. For accounting software for which audit trail feature is enabled, the audit trail facility has been operating throughout the year for all relevant transactions recorded in the software and we did not come across any instance of audit trail feature being tampered with during the course of our audit. Additionally, where audit trail (edit log) facility was enabled and operated in previous years, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Jayanta Mukhopadhyay

Partner

Membership No.: 055757

ICAI UDIN:26055757JQPPGB9606

Place: Bengaluru

Date: 11 May 2026

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Paradeep Phosphates Limited for the year ended 31 March 2026

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) According to the information and explanations given to us and based on our examination, there are no other companies included in the consolidated financial statements which are companies incorporated in India except the Company. The Companies (Auditor's Report) Order, 2020 of the Company contained the following unfavourable remarks, qualification or adverse remarks

Sr. No.	Name of the entities	CIN	Holding Company/Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1.	Paradeep Phosphates Limited	L20122OR1981PLC001020	Company	(i)(c)

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Jayanta Mukhopadhyay

Partner

Membership No.: 055757

ICAI UDIN:26055757JQPPGB9606

Place: Bengaluru

Date: 11 May 2026

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Paradeep Phosphates Limited for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Paradeep Phosphates Limited (hereinafter referred to as "the Company") as of and for the year ended 31 March 2026, we have audited the internal financial controls with reference to financial statements of the Company, as of that date.

In our opinion, the Company, has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance

Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated 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 internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the company;

and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial

controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Jayanta Mukhopadhyay

Partner

Membership No.: 055757

ICAI UDIN:26055757JQPPGB9606

Place: Bengaluru

Date: 11 May 2026

Consolidated Balance Sheet

as at 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

	Notes	As at 31 March 2026	As at 31 March 2025 [Refer Note 44(a)]
ASSETS			
I. Non-current assets			
(a) Property, plant and equipment	4(a)	5,79,314.21	4,96,460.26
(b) Right-of-use assets	4(c)	2,974.72	2,980.57
(c) Capital work-in-progress	4(b)	42,371.40	58,434.35
(d) Goodwill		14,134.26	13,910.15
(e) Other intangible assets	4(d)	6,201.12	6,023.63
(f) Equity accounted investment	5(a)	370.28	334.04
(g) Financial assets			
(i) Investments	5(b)	329.50	-
(ii) Other financial assets	11	2,404.96	-
(h) Income tax assets(net)		3,895.89	5,284.06
(i) Other non-current assets	6	5,220.80	13,951.02
Total non-current assets		6,57,217.14	5,97,378.08
II. Current assets			
(a) Inventories	7	4,62,669.87	2,55,632.65
(b) Financial assets			
(i) Investments	5(b)	1,769.52	26,909.79
(ii) Trade receivables	8	4,79,049.08	3,06,697.69
(iii) Cash and cash equivalents	9	36,344.81	93,450.32
(iv) Bank balances other than (iii) above	10	2,807.38	10,178.78
(v) Other financial assets	11	65,050.06	59,005.84
(c) Other current assets	6	88,688.23	77,591.73
Total current assets		11,36,378.95	8,29,466.80
Total assets (I+II)		17,93,596.09	14,26,844.88
EQUITY AND LIABILITIES			
I. Equity			
(a) Equity share capital	12	1,03,817.06	81,521.01
(b) Other equity	13	5,74,453.44	5,05,981.02
Total equity		6,78,270.50	5,87,502.03
II. Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	14(a)	81,580.72	85,312.71
(ii) Lease liabilities	14(b)	3,055.50	3,400.06
(iii) Other financial liabilities	15	22.36	86.94
(b) Provisions	16	5,782.99	3,973.59
(c) Deferred tax liabilities (net)	17	34,325.92	31,970.78
Total non-current liabilities		1,24,767.49	1,24,744.08
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	14(c)	6,05,651.60	4,21,030.41
(ii) Lease liabilities	14(b)	339.94	232.09
(iii) Trade payables	18		
- Total outstanding dues of micro enterprises and small enterprises		7,199.09	4,555.10
- Total outstanding dues of creditors other than micro enterprises and small enterprises		3,01,247.55	2,25,664.25
(iv) Other financial liabilities	15	40,448.28	34,725.05
(b) Other current liabilities	19	22,268.72	16,866.15
(c) Provisions	16	10,473.58	9,180.71
(d) Current tax liabilities (net)		2,929.34	2,345.01
Total current liabilities		9,90,558.10	7,14,598.77
Total liabilities (1+2)		11,15,325.59	8,39,342.85
Total equity and liabilities (I+II)		17,93,596.09	14,26,844.88

Material accounting policies

2

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

Jayanta Mukhopadhyay

Partner

Membership No: 055757

Place: Bengaluru

Date:- 11 May 2026

For and on behalf of the Board of Directors of

Paradeep Phosphates Limited

CIN: L20122OR1981PLC001020

N. Suresh Krishnan

Managing Director

DIN: 00021965

Place: Bengaluru

Date:- 11 May 2026

Sachin Patil

Company Secretary

Place: Bengaluru

Date:- 11 May 2026

S.K. Poddar

Chairman

DIN: 00008654

Place: Bengaluru

Date:- 11 May 2026

Bijoy Kumar Biswal

Chief Financial Officer

Place: Bengaluru

Date:- 11 May 2026

Consolidated Statement of Profit and Loss

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

	Notes	For the year ended 31 March 2026	For the year ended 31 March 2025 [Refer Note 44(a)]
Income			
I. Revenue from operations	20	21,82,634.02	16,95,864.76
II. Other income	21	14,657.50	14,804.37
III. Total income (I+II)		21,97,291.52	17,10,669.13
IV. Expenses			
Cost of raw materials consumed	22	13,24,746.92	10,30,390.22
Purchase of stock-in-trade		3,95,696.25	1,77,001.32
Changes in inventories of finished goods, stock-in-trade and work in progress	23	(1,07,185.10)	(16,011.37)
Employee benefits expense	24	33,668.36	32,057.70
Finance costs	25	52,778.24	44,317.74
Depreciation and amortisation expense	26	40,319.66	34,429.00
Other expenses	27	3,20,480.60	3,17,325.05
Total expenses (IV)		20,60,504.93	16,19,509.66
V. Profit before share of loss from equity accounted investment, exceptional items and tax (III-IV)		1,36,786.59	91,159.47
VI. Share of net loss of associate accounted for using the equity method (net of tax)		(48.81)	(71.79)
VII. Profit before exceptional items and tax (III+IV)		1,36,737.78	91,087.68
VIII. Exceptional item		(3,941.71)	-
IX. Profit before tax (VII+VIII)		1,32,796.07	91,087.68
X. Tax expense			
- Current tax	17	31,072.64	22,873.47
- Income tax credit for the earlier years (net)	17	(570.06)	(479.45)
- Deferred tax charge	17	2,657.90	2,479.85
Total tax expense		33,160.48	24,873.87
XI. Profit for the year (IX-X)		99,635.59	66,213.81
XII. Other comprehensive income / (loss) (net of tax)			
A Items that will be reclassified to profit or loss			
a) Exchange differences on translation of foreign operations		85.06	81.20
Items that will not be reclassified to profit or loss			
a) Remeasurement gain/(loss) of the defined benefit plans		481.60	(711.49)
b) Income tax on above	17	(121.22)	179.11
Total other comprehensive income/(loss) for the year		445.44	(451.18)
XIII Total comprehensive income for the year (XI + XII)		1,00,081.03	65,762.63
Profit for the year attributable to:			
Owners of the Company		99,635.59	66,213.81
Other comprehensive income attributable to:			
Owners of the Company		445.44	(451.18)
Total comprehensive income attributable to:			
Owners of the Company		1,00,081.03	65,762.63
XIV Earnings per equity share (nominal value of ₹ 10 each)			
Basic [in ₹]	28	9.60	6.39
Diluted [in ₹]	28	9.59	6.38
Material accounting policies	2		

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

Jayanta Mukhopadhyay
Partner
Membership No: 055757

Place: Bengaluru
Date:- 11 May 2026

For and on behalf of the Board of Directors of
Paradeep Phosphates Limited
CIN: L20122OR1981PLC001020

N. Suresh Krishnan
Managing Director
DIN: 00021965

Place: Bengaluru
Date:- 11 May 2026

Sachin Patil
Company Secretary

Place: Bengaluru
Date:- 11 May 2026

S.K. Poddar
Chairman
DIN: 00008654

Place: Bengaluru
Date:- 11 May 2026

Bijoy Kumar Biswal
Chief Financial Officer

Place: Bengaluru
Date:- 11 May 2026

Consolidated Statement of Cash Flows

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

	For the year ended 31 March 2026	For the year ended 31 March 2025 [Refer Note 44(a)]
A. Cash flows from operating activities		
Profit before tax	1,32,796.07	91,087.68
Adjustments for		
Depreciation and amortisation expense	40,319.66	34,429.00
Finance costs	48,249.32	39,714.32
Interest income	(2,585.57)	(4,047.66)
Profit on sale of current investments	(5,882.58)	(3,188.20)
Loss on sale / discard of property, plant and equipment (net)	5,615.47	2,394.24
Loss allowance	1,939.57	941.81
Bad debts, claims and advances written off	7.26	389.22
Unspent liabilities/provision no longer required written back	(411.58)	(1,256.61)
Foreign exchange fluctuation loss unrealized (net)	1,886.23	120.93
Expenses on account of share based payment	89.08	236.50
Share of loss from associate	48.81	71.79
Operating cash flow before working capital changes	2,22,071.74	1,60,893.02
Changes in working capital		
Increase in inventories	(2,03,838.65)	(55,481.11)
(Increase)/decrease in trade receivables	(1,72,595.62)	21,559.08
Increase in financial and other assets	(577.97)	(6,926.70)
Increase in trade payables and other current liabilities	79,194.77	64,629.73
Increase in provisions	3,513.27	170.90
Cash generated from/(used in) operating activities	(72,232.46)	1,84,844.92
Less: Income taxes paid (net of refunds)	(28,954.06)	(20,058.06)
Net cash generated from/(used in) operating activities (A)	(1,01,186.52)	1,64,786.86
B. Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	170.46	31.44
Acquisition of property, plant and equipment, including capital work in progress, capital advances and capital creditors	(86,780.04)	(45,763.90)
Investments in equity shares made during the year	(329.50)	-
Purchase of business	(7,275.00)	-
Investments in current investments - mutual funds	(10,67,466.69)	(6,19,597.56)
Proceeds from sale of current investments - mutual funds	10,98,489.54	5,95,876.07
Interest received	2,670.06	3,217.73
Proceeds from /Investment in deposits with maturity of more than three months	4,772.38	(3,201.46)
Net cash used in investing activities (B)	(55,748.79)	(69,437.68)
C. Cash flows from financing activities		
Proceeds from issue of share capital	539.64	264.68
Proceeds from non-current borrowings	41,515.91	47,310.74
Repayment of non-current borrowings	(42,091.56)	(63,710.14)
Proceeds from current borrowings	21,85,467.63	13,92,861.94
Repayment of current borrowings	(20,40,064.76)	(13,72,757.70)
Dividend paid	(9,941.27)	(5,851.69)
Repayment of lease liabilities including interest thereon	(887.38)	(550.34)
Interest paid	(34,708.42)	(36,481.08)
Net cash generated from/(used in) financing activities (C)	99,829.80	(38,913.59)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(57,105.51)	56,435.59
Cash and cash equivalents at the beginning of the year	93,450.32	9,071.79
Effects of business combination [Refer Note 44(a)]	-	27,942.94
Cash and cash equivalents at the end of the year (refer Note 9)	36,344.81	93,450.32

The cashflow from operating activities in the above consolidated statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 Statement of Cash Flows.

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

Jayanta Mukhopadhyay

Partner

Membership No: 055757

Place: Bengaluru

Date:- 11 May 2026

For and on behalf of the Board of Directors of

Paradeep Phosphates Limited

CIN: L20122OR1981PLC001020

N. Suresh Krishnan

Managing Director

DIN: 00021965

Place: Bengaluru

Date:- 11 May 2026

Sachin Patil

Company Secretary

Place: Bengaluru

Date:- 11 May 2026

S.K. Poddar

Chairman

DIN: 00008654

Place: Bengaluru

Date:- 11 May 2026

Bijoy Kumar Biswal

Chief Financial Officer

Place: Bengaluru

Date:- 11 May 2026

Consolidated Statement of Changes in Equity

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

(a) Equity share capital

	As at 31 March 2026		As at 31 March 2025 [Refer Note 44(a)]	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	81,52,10,093	81,521.01	81,47,78,646	81,477.86
Shares issued during the year (Refer Note 12)	22,29,60,501	22,296.05	4,31,447	43.14
Balance at the end of the year	1,03,81,70,594	1,03,817.06	81,52,10,093	81,521.01

(b) Other equity

Particulars	As at 31 March 2026										As at 31 March 2025 [Refer note 44(a)]			
	Foreign Currency Translation Reserve	Retained earnings	Securities premium	Shares suspense account	Share application money pending allotment	Share option outstanding reserve	Total other equity	Foreign Currency Translation Reserve	Retained earnings	Securities premium	Shares suspense account	Share application money pending allotment	Share option outstanding reserve	Total other equity
Balance at the beginning of the year	(26.79)	2,61,036.56	73,782.30	1,70,649.96	70.69	468.30	5,05,981.02	(107.99)	2,01,196.75	73,540.11	-	-	333.28	2,74,962.15
On account of business combination [refer Note no 44(a)]	-	-	-	-	-	-	-	-	-	-	1,70,649.96	-	-	1,70,649.96
Restated balance at the beginning of the year	(26.79)	2,61,036.56	73,782.30	1,70,649.96	70.69	468.30	5,05,981.02	(107.99)	2,01,196.75	73,540.11	1,70,649.96	-	333.28	4,45,612.11
Total comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	99,635.59	-	-	-	-	99,635.59	-	66,213.81	-	-	-	-	66,213.81
Other comprehensive income for the year *	85.06	360.38	-	-	-	-	445.44	81.20	(532.38)	-	-	-	-	(451.18)
Total	85.06	99,995.97	-	-	-	-	1,00,081.03	81.20	65,681.43	-	-	-	-	65,762.63
Transactions with owners of the company	-	-	-	-	-	-	-	-	-	-	-	-	-	-
On account of issue of equity shares pursuant to merger (refer Note no 12)	-	-	1,48,487.63	(1,70,649.96)	-	-	(22,162.33)	-	-	-	-	-	-	-
Dividend paid	-	(9,941.27)	-	-	-	-	(9,941.27)	-	(5,851.69)	-	-	-	-	(5,851.69)

Consolidated Statement of Changes in Equity

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Particulars	As at 31 March 2026						As at 31 March 2025 [Refer note 44(a)]							
	Foreign Currency Translation Reserve	Retained earnings	Securities premium	Shares suspense account	Share application money pending allotment	Share option outstanding reserve	Total other equity	Foreign Currency Translation Reserve	Retained earnings	Securities premium	Shares suspense account	Share application money pending allotment	Share option outstanding reserve	Total other equity
Share application money pending allotment	-	-	-	-	(70.69)	-	(70.69)	-	-	-	-	70.69	-	70.69
Premium received on issue of shares/pending allotment during the year	-	-	476.61	-	-	-	476.61	-	-	242.19	-	-	-	242.19
Equity settled share based payments	-	-	-	-	-	89.07	89.07	-	-	-	-	-	236.50	236.50
Options exercised	-	-	425.76	-	-	(425.76)	-	-	-	-	-	-	(91.41)	(91.41)
Options lapsed	-	9.70	-	-	-	(9.70)	-	-	10.07	-	-	-	(10.07)	-
Total	-	(9,931.57)	1,49,390.00	(1,70,649.96)	(70.69)	(346.38)	(31,608.60)	-	(5,841.62)	242.19	-	70.69	135.02	(5,393.72)
Total for the year	85.06	90,064.40	1,49,390.00	(1,70,649.96)	(70.69)	(346.38)	68,472.43	81.20	59,839.81	242.19	-	70.69	135.02	60,368.91
Balance at the end of the reporting year	58.27	3,51,100.96	2,23,172.30	-	-	121.91	5,74,453.44	(26.79)	2,61,036.56	73,782.30	1,70,649.96	70.69	468.30	5,05,981.02

* Other comprehensive income included under retained earnings represents remeasurement of defined benefit plans (net of tax).

Refer note 13 for details on the nature and purpose of the reserve

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

Jayanta Mukhopadhyay

Partner

Membership No: 055757

Place: Bengaluru

Date:- 11 May 2026

For and on behalf of the Board of Directors of

Paradeep Phosphates Limited

CIN: L20122OR1981PLC001020

N. Suresh Krishnan

Managing Director

DIN: 00021965

Place: Bengaluru

Date:- 11 May 2026

Sachin Patil

Company Secretary

Place: Bengaluru

Date:- 11 May 2026

S.K. Poddar

Chairman

DIN: 00008654

Place: Bengaluru

Date:- 11 May 2026

Bijoy Kumar Biswal

Chief Financial Officer

Place: Bengaluru

Date:- 11 May 2026

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Corporate and General Information

Paradeep Phosphates Limited ('the Company') is a public Company domiciled and headquartered in Bhubaneswar, India. It is incorporated under the Companies Act, 1956. The Company is primarily engaged in the manufacture of Urea, Di-Ammonium Phosphate (DAP), Complex Fertilizers of NPK grades, and Zypmite (Gypsum based product) having its manufacturing facilities at the port town of Paradeep, District Jagatsinghpur, Odisha, at Zuari Nagar, Goa, at port town Mangaluru and at Mahad of Maharashtra. The Company is also involved in trading of fertilizers, ammonia, neutralized phospo gypsum, micronutrient, power and other materials. The Company caters to the demands of farmers all over the country through its "Navratna", "Jai Kisaan" & "Mangala" brand of fertilizers. The Company has one associate incorporated in Myanmar under the name of Zuari Yoma Agri Solutions Limited.

1. Basis of preparation

- (a) These financial statements are prepared in accordance with Indian Accounting Standards (IND AS), under the historical cost convention on the accrual basis, except for certain financial instruments which are measured at fair values and net defined benefit (asset)/ liability which is measured at present value of defined benefit obligations less fair value of plan assets, notified under the provisions of the Companies Act 2013 ("the Act") to the extent applicable. The Company has prepared these financial statements to comply in all material respects with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 ("the Act"), read with Rule 3 of the Companies (Indian Accounting Standards), Rule, 2015 and relevant amendment rules issued thereafter.

The accounting policies have been consistently applied to all the years except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy.

- (b) These Consolidated Financial Statements are presented in Indian Rupees ("₹"), which is also the Company's functional and presentation currency. All amounts have been rounded off to the nearest lakhs, unless otherwise indicated.

2A. Basis of consolidation

The Consolidated Financial Information incorporate the Financial Statements of the Company and its associate. Consolidated Financial Information are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The financial statements of all the entities used for the purpose of consolidation are drawn up to same reporting date as that of the Company.

Investment in associate is accounted for using equity method of accounting, after initially being recognized at cost. Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Company's share of the post-acquisition profits or losses of the investee in profit or loss and the Company's share of other comprehensive income of the investee in other comprehensive income. When the Company's share of losses in an equity accounted investment equals or exceeds its interest in the entity, the Company does not recognize further losses, unless it has incurred obligations on behalf of the other entity.

Unrealised gains on transactions between the Company and its associate are eliminated to the extent of the Company's interest in the entity. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. The carrying amount of equity accounted investments are tested for impairment.

The details of associate included in these consolidated financial statements are as under:

Name of associate	Ownership interest	Country of Incorporation
Zuari Yoma Agri Solutions Limited	50%	Myanmar

2B. Material accounting policies

(i) Classification of assets and liabilities into current/non-current

Assets and Liabilities in the balance sheet have been classified as either current or non-current.

An asset has been classified as current if (a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is expected to be realized within twelve months after the reporting date; or (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets have been classified as non-current.

A liability has been classified as current when (a) it is expected to be settled in the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is due to be settled within twelve months after the reporting date; or (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. All other liabilities have been classified as non-current.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company has identified twelve months as its operating cycle.

(ii) Property, plant and equipment

Property, plant and equipment (PPE) are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, freight, duties, taxes, borrowing costs, if recognition criteria are met, and any directly attributable cost incurred to bring the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. Replaced assets held for disposal are stated at lower of their carrying amount and fair value less costs to sell, and depreciation on such assets ceases and shown under "Assets held for sale".

Items of stores and spares that meet the definition of PPE are capitalized at cost. Otherwise, such items are classified as inventories.

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

Expenditure on new projects and substantial expansion

Expenditure directly relating to construction activity is capitalized. Other indirect expenditure incurred during the construction period which are not related to the construction activity nor are incidental thereto are charged to the statement of profit and loss. Income earned during construction period, if any, is deducted from the total of the indirect expenditure.

(iii) Depreciation on property, plant and equipment

- a. Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the Management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset. The Company has used the following useful life to provide depreciation on its property, plant and equipment based on technical evaluation done.

Class of Assets	Useful Lives estimated by the management (Years)	Useful Lives as per Schedule II to the Companies Act, 2013 (Years)
Buildings	30/60	30/60
Roads and culverts	3 to 5	3 to 5
Plants and equipments (Continuous process plant)	25	25
Plant and equipments (Non continuous process)	5 to 20	15
Furniture, Fixtures & fittings	2 to 10	10
Vehicles	8	8
Office equipments	3 to 6	3 to 6
Railway siding	15	15

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate component of property, plant and equipment. These are estimated by the management supported by independent assessment by professionals.

The Company has used the following useful life to provide depreciation on its property, plant and equipment relating Goa plant acquired as on 1 June 2022 based on technical evaluation done.

Class of Assets	Useful Lives estimated by the management (Years)
Buildings	11 to 43
Plants and equipments	More than 1 and upto 25
Furniture, Fixtures & fittings	More than 1 and upto 10

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Class of Assets	Useful Lives estimated by the management (Years)
Vehicles	More than 1 and upto 10
Office equipments	More than 1 and upto 6
Railway siding	3 to 30

The Company has used the following useful life to provide depreciation on its property, plant and equipment relating Mangalore plant acquired as on 1 April 2024 based on technical evaluation done.

Class of Assets	Useful Lives estimated by the management (Years)
Buildings	5 to 60
Roads and culverts	5 to 30
Plants and equipments	10 to 25
Furniture, Fixtures & fittings	10
Vehicles	8 to 10
Office equipments	5 to 15
Railway siding	15

- b. Premium on land held on leasehold basis considered as Right of Use Asset is amortized over the period of lease.
- c. The classification of plant and machinery into continuous and non-continuous process is done as per technical certification by the management and depreciation thereon is provided accordingly.
- d. The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(iv) Intangible assets and amortisation

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets with finite lives are amortised on a straight line basis over the estimated useful economic life. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least once at the end of each reporting period. If the

expected useful life of the asset is different from previous estimates, the amortization period is changed accordingly. If there has been a change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with Ind AS-8 "Accounting Policies, Changes in Accounting Estimates and Errors".

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

The following are the acquired intangible assets:

Software:

The management of the Company assessed the useful life of software as finite and cost of software is amortized over their estimated useful life of three years on straight line basis.

(v) Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset (except inventories and deferred tax assets) may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset). The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(vi) Leases

At inception of the contract, the Company assesses whether a contract is, or contains, a lease. 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

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

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:

- The contract involves use of an identified asset, whether specified explicitly or implicitly;
- The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use;
- The Company has right to direct the use of the asset by either having right to operate the asset or the Company having designed the asset in a way that predetermines how and for what purpose it will be used.

Accounting as a lessee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made on or before the commencement date, plus any initial direct costs incurred and an estimate of cost to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

The right-of-use asset is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated using straight line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of lease term. The estimates of useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The lease liability is subsequently measured at amortised cost. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payment of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying

amount to reflect interest on lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company has elected not to recognize right-of-use asset and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low value assets. The Company recognizes the lease payments associated with these leases as an expense on straight line basis over the lease term."

(vii) Foreign currency transactions

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee (₹), which is Company's functional and presentation currency.

(b) Initial recognition

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates at the date the transaction.

(c) Conversion

Foreign currency monetary items are translated using the functional currency spot rates of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial recognition.

(d) Exchange differences

Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss.

(viii) Derivative financial instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit and loss.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

(ix) Fair value measurement

The Company measures financial instruments, such as, derivatives, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation

(based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operation.

External valuers are involved for valuation of significant assets, and significant liabilities, if any.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

(x) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement:

All financial assets except trade receivables are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit and loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular

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(All amounts are in rupees lakhs, unless otherwise stated)

way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset. Trade receivables are measured at transaction price in accordance with Ind AS 115.

Subsequent measurement:

Financial assets being financial instruments:

Subsequent measurement of financial instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. For the purposes of subsequent measurement, financial instruments are classified in three categories:

- Financial instruments at amortised cost;
- Financial instruments at fair value through other comprehensive income (FVTOCI);
- Financial instruments at fair value through profit and loss (FVTPL).

Financial instruments at amortised cost:

A financial instrument is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial instrument at FVTOCI:

A financial instrument is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent solely payments of principal and interest (SPPI).

Financial instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are

recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI financial instrument is reported as interest income using the EIR method.

Financial instrument at FVTPL:

FVTPL is a residual category for financial instruments. Any financial instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a financial instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets:

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its assets carried at amortised cost and FVTOCI financial instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition.

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.

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The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-month ECL.

Financial Liabilities

Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including derivative financial instruments.

Subsequent Measurement:

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss (FVTPL) include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 'Financial instruments'.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are

derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition:

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

Offsetting financial instruments

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

(xi) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

(xii) Inventories

- i. Inventories are valued at the lower of cost and net realizable value.
- ii. The cost is determined as follows:
 - (a) Raw Materials, Stores, Spare Parts, Chemical, Fuel Oil and Packing Materials: Weighted average method
 - (b) Intermediaries: Material cost on weighted average method and appropriate manufacturing overheads based on normal operating capacity
 - (c) Finished goods (manufactured): Material cost on weighted average method and appropriate manufacturing overheads based on normal operating capacity
 - (d) Traded goods: Weighted average method

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- iii. By-products such as treated gypsum are measured at net realizable value, adjusted against the cost of main product.
- iv. Net realizable value is the estimated selling price including applicable subsidy in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.
- v. Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

(xiii) Borrowing cost

Borrowing costs include interest and other ancillary costs incurred in connection with the arrangement of borrowings. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

(xiv) Revenue Recognition

The Company earns revenue primarily from sale of fertilizers. The following specific criteria must also be met before revenue is recognised:

Sale of goods

At contract inception, Company assess the goods promised in a contract with a customer and identify as a performance obligation each promise to transfer to the customer. Revenue is recognised upon transfer of control of promised products to customers in an amount of the transaction price that is allocated to that performance obligation and that reflects the consideration which the Company expects to receive in exchange for those products.

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods to a customer net of returns, excluding amounts collected on behalf of third parties (for example, taxes) and excluding discounts and incentives, as specified in the contract with customer.

With respect to sale of products revenue is recognised at a point in time when the performance obligation is satisfied and the customer obtains the control of goods which is usually dispatch/delivery of goods, based on contracts with customers. There is no significant financing components involved on contract with customers. Invoices are usually payable within the credit period as agreed with respective customers.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods transferred to the customer. If the Company performs by transferring goods to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in note (x) to material accounting policies on Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer goods to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Subsidy income

Concessions in respect of Urea as notified under the New Pricing Scheme is recognized with adjustments for escalation/de-escalation in the prices of inputs and other adjustments as estimated by the management in accordance with the known policy parameters in this regard.

Subsidy for DAP, Muriate of Potash (MOP) and Complex Fertilizers are recognized as per rates notified by the Government of India in accordance with Nutrient Based Subsidy Policy and other guidelines issued from time to time, where there is reasonable assurance of complying with the conditions of the policy.

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(All amounts are in rupees lakhs, unless otherwise stated)

Subsidy on freight charges for DAP, MOP and Complex Fertilizers is recognized based on rates notified by the Government of India with the known policy parameters in this regard and included in subsidy.

(xiv) (a) Interest Income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. 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. Interest income is included in finance income in the statement of profit and loss. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable EIR. Claims receivable on account of interest from dealers on delayed payments are accounted for to the extent the Company is reasonably certain of their ultimate collection.

(xiv) (b) Dividend Income

Dividend income is recognised when the Company's right to receive the payment is established.

(xiv) (c) Insurance claims

Claims receivable on account of insurance are accounted for to the extent the Company is reasonably certain of their ultimate collection.

(xv) Government grants and subsidies

Grants and subsidies [other than subsidy income considered in point (xiv) above] from the government are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/ subsidy will be received.

Where the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

(xvi) Employee benefits

Share-based payments

Share-based compensation benefits are provided to employees via PPL Employees Stock Option Plan 2021 ("ESOP 2021"). The fair value of the options granted under ESOP 2021 is recognised as an employee benefits expense in the statement of profit and loss with a corresponding increase in equity. The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and risk-free interest rate for the term of the option.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates for the remaining vesting period of the number of options that are expected to vest based on the service conditions. It recognises the impact of the revision to original estimates in the remaining vesting period, if any, in the statement of profit or loss, with a corresponding adjustment to equity.

Short term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Defined Contribution Plan

Retirement benefit in the form of contribution to pension fund, superannuation fund and national pension scheme are defined contribution scheme. The Company has no obligation, other than the contribution payable to these schemes. The Company recognizes contribution payable to these fund schemes as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

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Defined Benefit Plans

- i) Liability for Gratuity and Post Retirement Medical Benefits are provided for on the basis of actuarial valuation carried at the end of each financial year. The gratuity plan and post employment medical benefit plan has been funded by policy taken from Life Insurance Corporation of India.
- ii) Liability for Provident fund is provided for on the basis of actuarial valuation carried at the end of each financial year. The difference between the actuarial valuation of the provident fund of employees at the year end and the balance of own managed fund is provided for as liability in the books in terms of the provisions under Employee Provident Fund and Miscellaneous Provisions Act, 1952.
- iii) The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefits expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income and such re-measurement gain / (loss) are not reclassified to the statement of profit and loss in the subsequent periods. They are included in retained earnings in the statement of changes in equity.

Other long term benefits

Liability for accumulated compensated absences are provided for on the basis of actuarial valuation carried at the end of each financial year. The Company measures the expected cost of accumulated compensated absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months as long term employee benefit for measurement purpose.

(xvii) Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in Other comprehensive income.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that:
 - is not a business combination; and
 - at the time of the transaction (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences;
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

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(xviii) Segment Reporting Policies

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. Chief Operating Decision Maker review the performance of the Company according to the nature of products manufactured, traded and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the locations of customers.

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting financial statements of the Company as a whole.

(xix) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders of the Company by the weighted average number of the equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit or loss for the year attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

(xx) Contingent liabilities

A contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise. A contingent liability is also a present obligation that arises from past events but outflow of resources embodying economic benefits is not probable.

(xxi) Provisions

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

(xxii) Business combinations

The Company applies the acquisition method in accounting for business combinations. The consideration transferred by the Company to obtain control of a business is calculated as the sum of the fair values of assets transferred and liabilities assumed as at the acquisition date i.e. date on which it obtains control of the acquiree. Acquisition-related costs are recognised in the statement of profit and loss as incurred, except to the extent related to the issue of debt or equity securities.

Where the consideration transferred exceeds the fair value of the net assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets and liabilities assumed, the difference as a gain in other comprehensive income and accumulate the gain in equity as capital reserve.

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on acquisition-date. Intangible Assets acquired in a Business Combination and recognised separately from Goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a Business Combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

(xxiii) Goodwill

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

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(All amounts are in rupees lakhs, unless otherwise stated)

(xxiv) Declaration of Dividend

The Company recognises a liability to pay final dividend to equity shareholders when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a final dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in the equity.

(xxv) Material accounting policy information

The Company adopted Disclosure of Accounting Policies (Amendments to Ind AS 1) from April 1, 2023. Although the amendments did not result in any changes in the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

3A. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The changes in estimates are made as the management becomes aware of such changes. The changes in estimates are recognized in the period in which the estimates are revised.

i) Defined benefit plans

The cost of the defined benefit gratuity plan, post-employment medical benefits and other defined benefit plans and the present value of the obligation

of defined benefit plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for defined benefit plans, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on the expected future inflation rates. Further details about the defined benefit obligations are given in Note 32.

ii) Useful life of Property, plant and equipment

The management estimates the useful life and residual value of property, plant and equipment based on technical evaluation. These assumptions are reviewed at each reporting date. Refer Note 4(a).

iii) Fair value measurement of financial instruments.

Refer Note 34 for information about fair value measurement.

iv) Revenue recognition

The Company provides various rebates and incentives to the customers. In estimating the same, the Company is required to use either the expected value method or the most likely method. The Company determined that the expected value method is the appropriate method for determining estimates to recognize the impact of rebates and other incentives on revenue. These estimates are made based on historical experience and business forecast and current market conditions. The model uses the historical purchasing patterns and rebate entitlement of customers to determine the expected rebate percentages and the expected value thereof.

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v) Provisions and contingencies

Refer Note 29 for key assumptions about likelihood and magnitude of an outflow of economic resources in relation to recognition and measurement of contingent liabilities.

3B. Standards issued but not yet effective

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2026, MCA ammended the Companies (Indian Accounting Standards) Ammendment Rules 2026, as below

Ind AS 1 - Presentation of Financial Statements -

For accounting periods beginning on or after 1 April 2026, when an entity breaches any covenant of a long-term loan arrangement on or before the end of the reporting

period with the effect that the liability becomes payable on demand, it classifies the liability as current, even if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach. An entity classifies the liability as current because, at the end of the reporting period, it does not have the right to defer its settlement for at least 12 months after that date.

However, an entity classifies the liability as non-current if the lender agreed by the end of the reporting period to provide a period of grace ending at least 12 months after the reporting period, within which the entity can rectify the breach and during which the lender cannot demand immediate repayment.

This amendment is to be applied retrospectively for annual reporting periods beginning on or after 1 April 2026, in accordance with Ind AS 8, Accounting Policies, changes in accounting Estimates and Errors.

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Note 4(a) : Property, plant and equipment

Reconciliation of carrying amount

	Leasehold land	Freehold land *	Buildings	Roads and culverts	Plant and equipment	Furniture and fittings	Vehicles	Office equipments	Railway siding	Total (A)
Balance as at 1 April 2024	39.84	44,100.39	54,688.00	2,006.22	3,08,686.88	544.40	1,714.88	1,809.08	2,680.54	4,16,270.23
Adjustment on account of business combination (refer Note 44(a))	-	60,450.36	7,699.14	174.30	1,07,466.19	100.54	468.48	159.74	335.98	1,76,854.73
Balance as at 1 April 2024 (Restated)	39.84	1,04,550.75	62,387.14	2,180.52	4,16,153.07	644.94	2,183.36	1,968.82	3,016.52	5,93,124.96
Additions during the year	-	1,313.69	92.21	686.98	17,152.97	188.21	857.84	377.16	-	20,669.06
Disposals/ discard during the year	-	-	-	-	3,481.83	5.10	55.07	53.37	-	3,595.37
Balance as at 31 March 2025	39.84	1,05,864.44	62,479.35	2,867.50	4,29,824.21	828.05	2,986.13	2,292.61	3,016.52	6,10,198.65
Balance as at 1 April 2025	39.84	1,05,864.44	62,479.35	2,867.51	4,29,824.20	828.05	2,986.12	2,292.61	3,016.52	6,10,198.65
Additions during the year	-	-	10,566.52	383.23	1,11,053.98	200.19	517.13	395.48	172.41	1,23,288.94
Adjustment on account of business combination (refer Note 45(a))	-	-	2,777.95	-	2,427.59	0.31	-	9.50	-	5,215.35
Disposals/ discard during the year	-	-	64.00	0.08	8,640.93	22.86	242.31	118.73	27.40	9,116.31
Balance as at 31 March 2026	39.84	1,05,864.44	75,759.82	3,250.65	5,34,664.85	1,005.69	3,260.95	2,578.86	3,161.53	7,29,586.63

	Leasehold land	Freehold land *	Buildings	Roads and culverts	Plant and equipment	Furniture and fittings	Vehicles	Office equipments	Railway siding	Total (A)
Accumulated depreciation										
Balance as at 1 April 2024	4.14	-	9,105.76	699.53	68,796.75	356.10	429.17	1,118.77	442.13	80,952.35
Charge for the year	0.44	-	2,425.66	339.13	30,155.05	60.67	461.47	311.06	226.87	33,980.35
Deductions	-	-	-	-	1,114.54	4.45	31.88	43.44	-	1,194.31
Balance as at 31 March 2025	4.58	-	11,531.42	1,038.66	97,837.26	412.32	858.76	1,386.39	669.00	1,13,738.39
Balance as at 1 April 2025	4.58	-	11,531.42	1,038.66	97,837.26	412.32	858.76	1,386.39	669.00	1,13,738.39
Charge for the year	0.44	-	2,620.97	392.66	35,796.09	68.41	516.60	286.54	182.70	39,864.41
Deductions	-	-	2.92	-	3,096.04	13.86	89.66	111.00	16.90	3,330.38
Balance as at 31 March 2026	5.02	-	14,149.47	1,431.32	1,30,537.31	466.87	1,285.70	1,561.93	834.80	1,50,272.42
Net Carrying amount										
Balance as at 31 March 2026	34.82	1,05,864.44	61,610.35	1,819.33	4,04,127.54	538.82	1,975.25	1,016.93	2,326.73	5,79,314.21
Balance as at 31 March 2025	35.26	1,05,864.44	50,947.93	1,828.84	3,31,986.95	415.73	2,127.37	906.22	2,347.52	4,96,460.26

* Details of freehold land not held in the name of the Company

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Item of Balance Sheet	Description of Item	Gross Carrying Value	Title deed in favour of	If in the name of director etc.	Property held since	Reason of not being held in the name of the Company
Property, Plant and equipment	Freehold land	27.94	Not available	Not applicable	1982-85	Delay on account of administrative formalities
Property, Plant and equipment	Freehold land	60,450.36	Mangalore Chemicals & Fertilizers Limited	NA	2025-26	Acquired under scheme of arrangement, pending adjudication

- 1) Refer Note 14(a) and 14(c) relating to borrowings in respect of property, plant and equipment provided as security against those borrowings.
- 2) Refer Note 30 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- 3) Capitalisation of borrowing costs relates to funds borrowed both specifically and generally to acquire/construct qualifying assets. The capitalisation rate relating to general borrowings was at 8.40% (31 March 2025: 8.50%).

4(b) Capital work-in-progress

	As at 31 March 2026	As at 31 March 2025 [Refer Note 44(a)]
Opening balance	58,434.35	37,219.28
Adjustment on account of business combination (refer Note 44(a))	-	1,117.25
Opening balance (Restated)	58,434.35	38,336.53
Add: Addition during the year	1,07,252.40	38,077.34
Less: Capitalisation during the year	1,23,315.35	17,979.52
Closing balance	42,371.40	58,434.35

Closing balance includes other direct capital expenditure (pending allocation) ₹ 121.19 (31 March 2025: ₹ 4,348.79)

CWIP Ageing Schedule

As at 31 March 2026

CWIP	Amount in CWIP for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
Projects in progress	30,786.25	3,518.11	994.57	7,072.47	42,371.40
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2025

CWIP	Amount in CWIP for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
Projects in progress	29,064.61	16,468.89	12,201.58	699.27	58,434.35
Projects temporarily suspended	-	-	-	-	-

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Details of projects forming part of CWIP and which have become overdue compared to their original plans or where cost is exceeded compared to original plans

As at 31 March 2026

(Amount in ₹Lakhs)

Particulars	To be completed in			
	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years
Urea energy efficiency project	15,030.93			
Sulphuric Acid Melting & Steam Distribution System	3,159.00	-	-	-
New Phosphoric acid tank	1,151.23	-	-	-
PAP belt filter	966.49	-	-	-

As at 31 March 2025

(Amount in ₹Lakhs)

Particulars	To be completed in			
	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years
Sulphuric acid plant	30,986.95	-	-	-
MRSS	2,615.44	-	-	-
New Phos acid plant/5 th evaporator	913.77	-	-	-
PAP belt filter	-	418.27	-	-

4(c) Right-of-use assets

Particulars	Right of use Building	Right of use Land	Total Right of use assets
As at 01.04.2024	608.95	1,509.94	2,118.89
Adjustment on account of business acquisition (refer Note 44(a))	36.63	1,507.31	1,543.94
As at 01.04.2024 (Restated)	645.58	3,017.25	3,662.83
Additions	17.96	-	17.96
Disposal	54.18	-	54.18
As at 31.03.2025	609.36	3,017.25	3,626.61
On account of business combination (refer Note 45)	-	338.14	338.14
Additions	-	5.40	5.40
Disposal	43.28	-	43.28
As at 31.03.2026	566.08	3,360.79	3,926.87
Depreciation			
As at 01.04.2024	113.76	214.60	328.36
Charge for the year	136.50	213.47	349.97
Disposal	32.29	-	32.29
As at 31.03.2025	217.97	428.07	646.04
Charge for the year	122.51	215.90	338.41
Disposal	32.30	-	32.30
As at 31.03.2026	308.18	643.97	952.15
Net block			
As at 31.03.2026	257.90	2,716.82	2,974.72
As at 31.03.2025	391.39	2,589.18	2,980.57

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

4(d) Intangible assets

	31 March 2026			31 March 2025		
	Computer Software	Brand	Total	Computer Software	Brand	Total
Gross block						
Balance as at beginning of the year	952.44	5,650.00	6,602.44	664.62	-	664.62
Adjustment on account of business combination (refer Note 44(a))	-	-	-	104.18	5,650.00	5,754.18
Additions during the year	294.33	-	294.33	183.64	-	183.64
Disposals/discard during the year	-	-	-	-	-	-
Balance as at end of the year	1,246.77	5,650.00	6,896.77	952.44	5,650.00	6,602.44
Amortisation						
Balance as at beginning of the year	578.81	-	578.81	480.13	-	480.13
Amortisation for the year	116.84	-	116.84	98.68	-	98.68
Deductions	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
Balance as at end of the year	695.65	-	695.65	578.81	-	578.81
Net carrying amount as at end of the year	551.12	5,650.00	6,201.12	373.63	5,650.00	6,023.63

Note 5(a) : Equity accounted investment

	As at 31 March 2026	As at 31 March 2025
Investment in associate		
Carrying value at the beginning of the year	334.04	324.63
Adjustment for share of profit/loss and OCI	36.24	9.41
Carrying value at the end of the year	370.28	334.04

Note 5(b): Financial assets - Investments

	As at 31 March 2026		As at 31 March 2026		As at 31 March 2025		As at 31 March 2025	
	Non-current		Current		Non-current		Current	
	No of shares	Amount	No. of units	Amount	No of shares	Amount	No. of units	Amount
(Unquoted)								
Investments at fair value through profit or loss								
Bangalore Beverages Limited [Redeemable cumulative preference shares of ₹1 each with coupon rate of 10% p.a repayable after 20 years]	2,00,000	20,000.00	-	-	2,00,000	20,000.00	-	-
Less: Provision for impairment in value of investment	-	(20,000.00)	-	-	-	(20,000.00)	-	-
FPEL Ujwal Private Limited	1,61,361.00	329.50	-	-	-	-	-	-
Mutual fund investments at fair value through profit or loss (unquoted)								
Aditya Birla Money Manager Fund-Direct Growth	-	-	-	-	-	-	23,41,313.16	8,608.72

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

	As at 31 March 2026		As at 31 March 2026		As at 31 March 2025		As at 31 March 2025	
	Non-current		Current		Non-current		Current	
	No of shares	Amount	No. of units	Amount	No of shares	Amount	No. of units	Amount
Aditya Birla Sun Life Low Duration Fund - Growth Regular Plan	-	-	-	-	-	-	-	0.10
Aditya Birla Sun Life Overnight Fund-Growth	-	-	49,822	725.76	-	-	-	-
HDFC MF - Money Market -Direct Growth	-	-	-	-	-	-	70,793.04	4,047.11
ICICI Prudential - Money Market Fund (Direct Growth)	-	-	-	-	-	-	5,50,565.84	2,073.80
Nippon India Money Market Fund Direct (Growth Plan - Growth option)	-	-	-	-	-	-	74,692.62	3,078.78
Nippon India Short Duration Fund - Growth	-	-	13,25,230	790.50	-	-	-	-
Axis Treasury Advanrage Fund - Growth	-	-	7,460	253.26	-	-	-	-
SBI Savings Fund Direct Growth	-	-	-	-	-	-	45,88,979.03	2,000.96
TATA Money Market Fund - Direct Growth	-	-	-	-	-	-	1,50,547.82	7,100.32
Total investments		329.50		1,769.52				26,909.79

Note 6: Other Non Current Assets and Current Assets

(Unsecured, considered good unless otherwise stated)

	As at 31 March 2026		As at 31 March 2025	
	Non-Current	Current	Non-Current	Current
Capital advances				
Related parties (refer Note 33)	1,457.46	-	335.65	-
Others	835.89	-	10,881.98	-
Advance to vendors:				
Related parties (refer Note 33)	-	26.07	-	34.46
Others	-	2,900.52	1,668.20	2,277.08
Less: Loss allowance	-	(32.00)	(1,668.20)	(32.00)
Claims receivable	218.28	6,594.65	218.28	7,117.70
Less: Loss allowance	(11.50)	(45.51)	(11.50)	-
Balance with statutory / government authorities	-	72,804.69	-	63,273.61
Less: Loss allowance	-	(1,861.31)	-	-
Prepaid expenses	225.75	3,177.68	246.96	3,304.99
Sales tax & entry tax deposits	8.01	4,974.70	8.01	1,167.31
Less: Loss allowance	(8.01)	(0.11)	(8.01)	-
Other deposits				
Related parties (refer Note 33)	170.00	-	60.00	-
Others*	2,324.92	148.85	2,219.65	448.58
Total other assets	5,220.80	88,688.23	13,951.02	77,591.73

* Includes primarily deposits with vendors, service providers etc.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Note 7: Inventories

(Valued at the lower of cost and net realisable value)

	As at 31 March 2026	As at 31 March 2025
Raw materials	2,26,785.34	1,35,112.09
Finished goods	1,24,016.21	57,375.82
Traded goods	53,691.76	13,140.67
Intermediates (work in progress)	27,426.41	15,837.14
Stores, spare parts, chemical and fuel oil	17,610.26	19,290.86
Packing materials	1,230.05	846.96
By-Products	11,909.84	14,029.11
Total inventories	4,62,669.87	2,55,632.65

Note:

- Inventories are pledged against the borrowings as further explained in Note 14(a) and 14(c).
- The cost of inventories recognised as expense includes ₹300.28 (31 March 2025: ₹778.06) in respect of write down of inventories to net realisable value.
- Inventories includes inventories in transit as at the balance sheet date as under:

	As at 31 March 2026	As at 31 March 2025
Raw materials	1,30,089.98	66,071.47
Finished goods	29,849.64	24,199.26
Traded goods	19,357.60	-
Stores and spare parts	434.41	3,838.36
Total inventories in transit	1,79,731.63	94,109.09

Note 8: Trade receivables

	As at 31 March 2026	As at 31 March 2025
Trade receivables considered good - secured	8,788.99	9,075.39
Trade receivables - unsecured*	4,68,291.61	2,91,721.74
From related parties (refer Note 33)		
Trade receivables considered good - unsecured	9,678.33	13,703.72
Total trade receivables	4,86,758.93	3,14,500.85
Less: Loss allowance	(7,709.85)	(7,803.16)
Net trade receivables (refer note 'a' below)	4,79,049.08	3,06,697.69

Trade receivables are carried at amortised cost which are a reasonable approximation of their fair value.

* Trade receivables - unsecured

	As at 31 March 2026	As at 31 March 2025
Trade receivable considered good	4,63,931.33	2,88,336.47
Trade receivables - which have significant increase in credit risk	4,360.28	3,385.27
Total trade receivables unsecured	4,68,291.61	2,91,721.74

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

- Includes subsidy receivable from the Government of India amounting to ₹384,728.31 (31 March 2025: ₹235,721.16)
- Trade receivables are pledged against the borrowings obtained by the Company as further explained in Note 14(a) and 14(c).
- Trade receivables are non-interest bearing and are generally on terms of 30 to 180 days.
- No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
- The Company's exposure to credit and currency risks and loss allowances related to trade receivables are disclosed in Note 35.

Trade Receivable ageing schedule:

As at 31 March 2026

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 Years	2-3 Years	More Than 3 Years	
(i) Undisputed Trade receivables - considered good	3,62,214.04	91,957.48	685.39	274.93	13,977.37	7,930.75	4,77,039.96
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	5,358.69	5,358.69
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	8.94	4,351.34	4,360.28
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Gross trade receivable							4,86,758.93

As at 31 March 2025

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 Years	2-3 Years	More Than 3 Years	
(i) Undisputed Trade receivables - considered good	1,84,311.67	83,303.60	5,473.23	15,299.01	220.16	17,149.22	3,05,756.89
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	5,358.69	5,358.69
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	6.84	116.38	3,262.05	3,385.27
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Gross trade receivable							3,14,500.85

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Note 9: Cash and cash equivalents

	As at 31 March 2026	As at 31 March 2025
Balances with banks		
- On current accounts	1,363.96	1,237.07
- On cash credit accounts	17,753.46	3,830.17
- Deposit with original maturity of less than three months	17,225.00	88,380.00
Cash on hand	2.39	3.08
Total cash and cash equivalents	36,344.81	93,450.32

Note 10: Bank balances other than above

	As at 31 March 2026	As at 31 March 2025
- Deposits with banks with original maturity of more than three months and less than twelve months*	2,603.74	9,935.43
- ESOP accounts	43.67	89.49
- Unpaid dividend accounts	159.97	153.86
Total bank balances other than above	2,807.38	10,178.78

Bank balances other than above are carried at amortised cost which are a reasonable approximation of their fair value.

*Pledged with Executive Engineer, Mahanadi South Division as security deposit ₹220.79 (31 March 2025: ₹206.19), against bank guarantee issued in favour of Regional Director, ESI Corporation, Bhubaneswar ₹6.57 (31 March 2025: ₹ 5.73), cash margin fixed deposit issued against repayment of long term loan: ₹ 2,376.38 (31 March 2025: ₹5,188.51).

Note 11: Other financial assets

(Unsecured, considered good unless otherwise stated)

	As at 31 March 2026		As at 31 March 2025	
	Non-current	Current	Non-current	Current
Derivative instruments at fair value through profit or loss				
Derivatives not designated as hedges				
Foreign-exchange forward contracts	-	15,690.50	-	-
Other financial asset at amortised cost*				
Claims receivable:				
Related parties (refer Note 33)	-	40,286.17	-	47,979.18
Others	209.79	2,696.76	209.79	1,618.73
Less: Loss allowance	(209.79)	(311.82)	(209.79)	(311.82)
Interest receivable on deposits, receivables, etc.:				
Related parties (refer Note 33)	-	6,126.64	-	5,845.51
Others	-	159.20	-	524.82
Deposits with bank #	2,404.96	-	-	-
Lease rent receivable	-	-	-	51.84
Receivables from Gas pool operator	-	386.55	-	3,297.58
Other receivable				
Related parties (refer Note 33)	-	72.24	-	56.18
Less: Loss allowance	-	(56.18)	-	(56.18)
Total other financial assets	2,404.96	65,050.06	-	59,005.84

* The carrying amounts of these financial instruments are a reasonable approximation of their fair value.

Margin fixed deposit issued against repayment of long term loan

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Note 12: Equity share capital

(a) Details of authorised, issued, subscribed and fully paid up share capital:

	As at 31 March 2026	As at 31 March 2025
Authorised share capital		
10,50,000,000 (31 March 2025: 900,000,000) equity shares of ₹10 each (31 March 2025: ₹ 10 each)	1,05,000.00	90,000.00
8,000,000 (31 March 2025: 10,000,000) 7% Non cumulative Redeemable preference shares of ₹100/- each (31 March 2025: ₹100 each)	8,000.00	10,000.00
Total authorised share capital	1,13,000.00	1,00,000.00
Issued, subscribed and fully paid up shares		
1,038,170,594 (31 March 2026: 815,210,093) equity shares of ₹10 (31 March 2025: ₹10) each fully paid	1,03,817.06	81,521.01
Total equity share capital	1,03,817.06	81,521.01

(b) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year:

	As at 31 March 2026		As at 31 March 2025	
	Number of equity shares	Amount	Number of equity shares	Amount
Balance at the beginning of the year	81,52,10,093	81,521.01	81,47,78,646	81,477.86
Changes during the year	22,29,60,501	22,296.05	4,31,447	43.14
Balance at the end of the year	1,03,81,70,594	1,03,817.06	81,52,10,093	81,521.01

The Company has issued 221,623,331 nos of equity shares having face value of ₹10 per share to the existing shareholders of Managalore Chemicals and Fertilizers Limited pursuant to the approved scheme of arrangement.

(c) Terms/ rights attached to equity shares:

- 1) The Company has only one class of equity share having par value of ₹10 per share. Each holder of equity share is entitled to one vote per share. The equity shareholders are entitled to receive dividend as declared from time to time.
- 2) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company in proportion to the number of equity shares held by the respective shareholders.

(d) Shares held by holding Company are as below:

	As at 31 March 2026		As at 31 March 2025	
	Number of equity shares	Amount	Number of equity shares	Amount
Name of shareholder				
Zuari Maroc Phosphates Private Limited (ZMPPL), the holding Company (erstwhile known as Zuari Maroc Phosphates Limited (ZMPL))	52,23,31,697	52,233.17	45,69,42,507	45,694.25

(e) Details of equity shareholders holding more than 5% of the aggregate equity shares in the Company:

	As at 31 March 2026		As at 31 March 2025	
Name of equity shareholder	Number of equity shares	% of total shares in the class	Number of equity shares	% of total shares in the class
Zuari Maroc Phosphates Private Limited (ZMPPL), the holding Company (erstwhile known as ZMPL)	52,23,31,697	50.31%	45,69,42,507	56.05%
Zuari Agro Chemicals Limited	6,54,33,846	6.30%	-	-
SBI Multicap Fund	4,14,99,147	4.00%	7,06,91,586	8.67%

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

- (f) The Company has not issued any bonus shares or shares for consideration other than cash during the period of five years immediately preceding the reporting date.
- (g) As per records of the Company including its register of share holders/members and other declarations received from share holders regarding beneficial interest, the above share holding represents both legal and beneficial ownership of shares.

(h) **Stock option schemes**

Information relating to Employee Stock Option Plan, including details of options granted and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in Note 42.

(i) **Details of shareholding of promoters and promoters group:**

Name of equity shareholder	As at 31 March 2026		Change in shareholding	As at 31 March 2025	
	Number of equity shares	% of total shares in the class	% of change	Number of equity shares	% of total shares in the class
Zuari Maroc Phosphates Private Limited (ZMPPL), the holding Company (erstwhile known as ZMPL)	52,23,31,697	50.31%	-5.74%	45,69,42,507	56.05%
Zuari Agro Chemicals Limited	6,54,33,846	6.30%	6.30%	-	-
Adventz Finance Private Limited	81,35,175	0.78%	0.78%	-	-
Zuari Industries Limited	5,72,582	0.06%	0.06%	-	-
Akshay Poddar	545	0.00%	0.00%	-	-

Note 13: Other equity

	As at 31 March 2026	As at 31 March 2025
Share Application money pending allotment	-	70.69
- Represents share application money received pending allotment of equity shares		
Retained earnings		
- Retained earnings are profits that the Company has earned till date, less dividends or other distributions paid to the shareholders. It also includes remeasurement gain/ loss of defined benefit plans.	3,51,100.96	2,61,036.56
Share Suspense account	-	1,70,649.96
- Share suspense account is used to record equity shares to be issued pursuant to merger on the appointed date.		
Securities premium	2,23,172.30	73,782.30
- Securities premium is used to record premium received on issue of shares. The reserve is utilised in accordance with the provisions of Companies Act, 2013.		
Share option outstanding reserve relating to ESOPs issued by the Company	121.91	468.30
Foreign currency translation reserve (FCTR)	58.27	(26.79)
- Exchange differences on translating the financial statements of foreign operations		
Total other equity	5,74,453.44	5,05,981.02

Refer consolidated statement of changes in equity for movement during the years.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Proposed dividend on equity shares not recognised as liability *

	As at 31 March 2026	As at 31 March 2025
Proposed final dividend	15,572.56	9,929.90

The Board of Directors has recommended a dividend of 15% i.e. ₹1.50 per equity share of ₹ 10 each fully paid up

* Proposed dividend on equity shares is subject to approval of shareholders of the Company at the ensuing Annual General Meeting and not recognised as liability as at the Balance Sheet date.

Note 14(a): Non-Current Borrowings

	As at 31 March 2026		As at 31 March 2025	
	Non-current	Current Maturities	Non-current	Current Maturities
Secured				
Rupee term loan from banks	71,792.79	38,114.99	85,312.71	40,118.60
Amount of current maturities disclosed under the head "current borrowings" (refer note 14(c))	-	(38,114.99)	-	(40,118.60)
Un-secured				
Rupee term loan from banks	9,787.93	5,159.94	-	-
Amount of current maturities disclosed under the head "current borrowings" (refer note 14(c))	-	(5,159.94)	-	-
Total non-current borrowings	81,580.72	-	85,312.71	-

Non-Current Borrowings are carried at amortised cost which are a reasonable approximation of their fair value.

Terms and conditions including nature of securities and terms of repayment of each loan and interest rate:

Particulars of loan	Security	Terms of repayment	Year end	Effective interest rate
Rupee term loan from- ICICI Bank	First pari passu with the mortgages and charges created in respect of immovable properties and movable properties	Repayable in 16 quarterly instalments of ₹ 937.50 commenced from 31 March 2023.	31 March 2026 31 March 2025	8.45% 9.20%
Rupee term loan from- SBI	First pari passu with the mortgages and charges created in respect of fixed assets and second paripassu with charge on entire current assets.	Repayable in 20 quarterly instalments of ₹ 850.00 commenced from 1 October 2023.	31 March 2026 31 March 2025	8.75% 9.36%
Rupee term loan from- HDFC	First pari passu with the mortgages and charges created in respect of fixed assets and second paripassu with charge on entire current assets.	Repayable in 20 quarterly instalments of ₹ 1163.75 commenced from 1 September 2022.	31 March 2026 31 March 2025	7.34% 9.00%

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for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Particulars of loan	Security	Terms of repayment	Year end	Effective interest rate
Rupee term loan from- Indusind Bank	First pari passu with the mortgages and charges created in respect of fixed assets and second pari passu with charge on entire current assets.	Repayable in 12 quarterly instalments of ₹ 651.50 commencing from 31 March 2026. based on the sanctioned loan amount. However, the entire sanctioned amount has not been drawn	31 March 2026 31 March 2025	7.25% 8.50%
Rupee term loan from- ICICI Bank	First pari passu with the mortgages and charges created in respect of movable properties and immovable properties	Repayable in 12 quarterly instalments of ₹2083.33 commencing from 30 June 2024	31 March 2026 31 March 2025	8.45% 9.20%
Rupee term loan from- KOOKMIN Bank	Unsecured	Repayable in 8 quarterly instalments of ₹875.00 commencing from 30 September 2025	31 March 2026 31 March 2025	7.05% 8.05%
Rupee term loan from- ICICI Bank	First pari passu with the mortgages and charges created in respect of movable properties and immovable properties	Repayable in 20 quarterly instalments of ₹1750.00 commencing from 31 March 2026	31 March 2026 31 March 2025	8.30% 9.00%
Rupee term loan from- SHINHAN BANK	Unsecured	Repayable in 12 quarterly instalments of ₹416.67 commencing from 28 February 2026	31 March 2026 31 March 2025	7.70% -
Rupee term loan from- KFB HANA	Unsecured	Repayable in 4 half-yearly instalments of ₹1500.00 commencing from 30 June 2027	31 March 2026 31 March 2025	7.15% -
Rupee term loan from- Axis Bank	First pari passu with the mortgages and charges created in respect of movable properties and immovable properties	Repayable in 14 quarterly instalments of ₹2142.86 commencing from 31 December 2027	31 March 2026 31 March 2025	7.90% -
Rupee term loan from- Bank of India	First pari passu with the mortgages and charges created in respect of immovable properties and movable properties and second pari passu with the charges created in respect of current assets.	Repayable in 12 quarterly instalments of ₹1165 commencing from 09 January 2027 based on the sanctioned loan amount. However, the entire sanctioned amount has not been drawn	31 March 2026 31 March 2025	7.95% -
Rupee term loan from- Punjab National Bank	First pari-passu first charge on movable fixed assets to be created from proceeds of the facility for improvement in Ammonia Energy Efficiency Project of the urea plant, with other participating lenders and first pari passu charge over all movable and immovable fixed assets of the Company excluding those exclusively charged to other term lenders.	Repayable in 28 quarterly instalments of ₹607.14 commenced from 30 November 2023	31 March 2026 31 March 2025	8.90% 9.95%

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(All amounts are in rupees lakhs, unless otherwise stated)

Rupee term loan from- State Bank of India	First pari-passu first charge on all fixed assets to be created out of the proposed EIP project, with other participating lenders and first pari passu charge over all movable and immovable fixed assets of the Company excluding the fixed assets charged specifically to the term lenders.	Repayable in 28 quarterly instalments of ₹267.86 commenced from 31 March 2023	31 March 2026 31 March 2025	9.65% 9.90%
Rupee term loan from- ICICI Bank Ltd	First pari-passu first charge on movable fixed assets to be created from proceeds of the facility for improvement in Energy Efficiency Project of the urea plant, with other participating lenders and first pari passu charge over movable and immovable fixed assets of the Company excluding those exclusively charged to other term lenders.	Repayable in 28 quarterly instalments of ₹125.00 commenced from 31 January 2024	31 March 2026 31 March 2025	9.15% 9.90%
Rupee term loan from- ICICI Bank Ltd	First pari-passu first charge over movable and immovable fixed assets of the Company, excluding those exclusively charged to other term lenders (including long term loans availed for the energy efficiency capital expenditure).	Repayable in 18 quarterly instalments of ₹222.22 commenced from 31 August 2023	31 March 2026 31 March 2025	9.15% 9.90%
Rupee term loan from- ICICI Bank Ltd	First pari-passu first charge over movable and immovable fixed assets of the Company, excluding those exclusively charged to other term lenders (including long term loans availed for the energy efficiency capital expenditure)	Repayable in 10 quarterly instalments commenced from 30 April 2024, of which first 4 quarterly instalments are of ₹ 250.00, next 4 quarterly instalments of ₹ 625.00 and remaining 2 quarterly instalments of ₹ 750.00	31 March 2026 31 March 2025	8.65% 9.40%
Rupee term loan from- ICICI Bank Ltd	First pari-passu first charge over movable and immovable fixed assets of the Company, excluding those exclusively charged to other term lenders (including long term loans availed for the energy efficiency capital expenditure).	Repayable in 15 quarterly instalments commenced from 30 September 2024, of which first 4 quarterly instalments are of ₹ 62.50, next 4 quarterly instalments of ₹ 125.00, and next 4 quarterly instalments of ₹ 187.50 and remaining 3 quarterly instalments of ₹333.33.	31 March 2026 31 March 2025	9.60% 9.60%
Rupee term loan from- Axis Bank Ltd	The loan is secured by exclusive charge on the moveable fixed assets of the new 300 tpd Sulphuric Acid Plant and first pari-passu charge on entire fixed assets of the Company excluding those exclusively charged to other term lenders	Repayable in 18 quarterly instalments commenced from 31 March 2026, of which first 4 quarterly instalments are of ₹ 500.00 and remaining 14 quarterly instalments of ₹1000.00. based on the sanctioned loan amount. However, the entire sanctioned amount has not been drawn	31 March 2026 31 March 2025	7.50% -

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(All amounts are in rupees lakhs, unless otherwise stated)

Note 14(b): Lease Liabilities

	As at 31 March 2026		As at 31 March 2025	
	Non-current	Current	Non-current	Current
Lease Liabilities*	3,055.50	339.94	3,400.06	232.09
Total non-current borrowings	3,055.50	339.94	3,400.06	232.09

* Set out below are the carrying amounts of lease liabilities and the movements during the period:

	As at 31 March 2026	As at 31 March 2025
Opening	3,632.15	1,933.18
Adjustment on account of business acquisition (refer Note 44(a))	-	1,917.55
Opening (Restated)	3,632.15	3,850.73
Additions	343.54	17.96
Lease terminated	(10.98)	(21.89)
Accretion of interest	318.11	335.69
Payments	(887.38)	(550.34)
Closing	3,395.44	3,632.15

The effective interest rate for lease liabilities is 8.50%, with maturity between 2023-2048.

Maturity profile of lease liability

Ageing	Total rent payments	Interest payment	Net Amount
Less than 1 year	523.14	323.95	199.19
1-3 years	1,036.00	592.42	443.58
3-5 years	795.91	467.43	328.48
> 5 years	4,246.96	1,822.77	2,424.19
Total	6,602.01	3,206.57	3,395.44

Note 14(c): Current Borrowings

	As at 31 March 2026	As at 31 March 2025
From banks:		
Secured		
Loans repayable on demand		
Cash credit	14.62	-
Other loans		
Working capital demand loan	61,897.00	-
Buyer's credit	1,01,539.28	1,33,861.90
Supplier's credit	2,91,780.71	1,78,381.36
Local bills discounted with bank	1,03,145.06	68,668.55
Other loans from bank	4,000.00	-
Current maturity of non-current borrowings	43,274.93	40,118.60
Total current borrowings	6,05,651.60	4,21,030.41

Current Borrowings are carried at amortised cost which are a reasonable approximation of their fair value.

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for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Terms and conditions including nature of securities and terms of repayment of each loan and interest rate:

Particulars of loan	Security	Terms of repayment	Period	Principal Amount	Effective interest rate
Cash credit (secured)	First charge by way	Repayable on demand	31 March 2026	14.62	8.85%
Working capital demand loan (WCDL) (secured)	of hypothecation on all current assets and		31 March 2025	-	-
Supplier's credit(secured)/buyer's credit (secured)	second charge on all immovable & movable properties of the Company (other than certain current assets hypothecated / pledged in favour of banks by way of first charge)	Repayable over a period of 7 to 91 days	31 March 2026	61,897.00	6.75% to 7.75%
			31 March 2025	-	-
		Repayable over a period of 30 to 180 days	31 March 2026	3,93,319.99	6 month SOFR plus 0.20% to 0.75%
Local Bills discounted with bank (secured)	both present and future on pari-passu basis.		31 March 2025	3,12,243.26	6 month SOFR plus 0.15% to 0.75%
		Repayable over a period of 91 to 180 days	31 March 2026	1,03,145.06	6% to 7%
			31 March 2025	68,668.55	7.35% to 8.40%
Others loans (secured)		Repayable over a period of 60 to 120 days	31 March 2026	4,000.00	7.55%
			31 March 2025	-	-

Details of securities as reported in the books vis-à-vis quarterly return:

Particulars of securities	Name of the bank	Quarter	Amount as per books of accounts	Amount as reported in the quarterly return	Amount of difference	Reason of material difference
Inventory	State Bank of India	Jun-25	3,73,292.00	3,73,292.00	-	
Receivables			3,00,757.00	3,00,757.00	-	
Other Current Assets			2,31,880.00	2,31,880.00	-	
Total			9,05,929.00	9,05,929.00	-	
Inventory	State Bank of India	Sep-25	4,82,143.00	4,82,143.00	-	There is no difference in inventory, receivables and other assets
Receivables			4,02,397.00	4,02,397.00	-	
Other Current Assets			2,91,873.00	2,91,873.00	-	
Total			11,76,413.00	11,76,413.00	-	
Inventory	State Bank of India	Dec-25	4,42,079.00	4,42,079.00	-	
Receivables			4,54,764.00	4,54,764.00	-	
Other Current Assets			2,76,958.00	2,76,958.00	-	
Total			11,73,801.00	11,73,801.00	-	

Note 15: Other financial liabilities

	As at 31 March 2026		As at 31 March 2025	
	Non-current	Current	Non-current	Current
Financial liabilities at fair value through profit or loss				
Derivatives not designated as hedges				
Foreign-exchange forward/option contracts	-	-	-	4,686.37
Total financial liabilities at fair value through profit or loss	-	-	-	4,686.37
Other financial liabilities at amortised cost*				
Earnest money/Security deposits				
Related Parties (refer Note 33)	-	62.50	62.50	-
Others	-	20,360.71	-	19,238.16
Employee related dues	22.36	4,391.75	24.44	3,851.47
Creditors for property, plant and equipments (including retention money from contractors/suppliers)				
Related Parties (refer Note 33)	-	1,362.49	-	-
Others	-	10,373.53	-	2,261.51

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for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

	As at 31 March 2026		As at 31 March 2025	
	Non-current	Current	Non-current	Current
Payable to Gas pool operator	-	973.14		2,432.71
Unpaid dividend	-	159.97	-	153.86
Interest accrued but not due on borrowings	-	2,764.19	-	2,100.97
Total other financial liabilities at amortised cost	22.36	40,448.28	86.94	30,038.68
Total other financial liabilities	22.36	40,448.28	86.94	34,725.05

* The carrying amounts of these financial instruments are a reasonable approximation of their fair value.

Note 16: Provisions

	As at 31 March 2026		As at 31 March 2025	
	Non-current	Current	Non-current	Current
Provision for employee benefits* (refer Note 32)				
Post retirement medical benefits	214.10	18.46	102.19	7.95
Gratuity	2,505.45	384.51	2,077.25	146.25
Leave salary	-	7,987.53	-	7,012.93
Other provisions (refer Note 'a' below)				
Contractors	3,063.44	-	1,794.15	-
Others	-	2,083.08	-	2,013.58
Total provisions	5,782.99	10,473.58	3,973.59	9,180.71

* The classification of current/non current for provision for employee benefits has been determined by the actuary of the Company, based upon estimated amount of cash outflow during the next 12 months from the balance sheet date.

Note a: The movement for "Other provisions" during the year is as follows:

Movement of provisions during the year as required by Ind AS 37 "Provisions, Contingent Liabilities and Contingent Asset"

Capital expenditure

	As at 31 March 2026		As at 31 March 2025	
	Contractors	Others **	Contractors	Others **
Opening balance	1,794.15	2,013.58	1,606.65	1,945.20
Provision made during the year	1,269.29	69.50	187.50	68.38
	3,063.44	2,083.08	1,794.15	2,013.58

** Closing balance includes the following provisions

	As at 31 March 2026	As at 31 March 2025
	Others	Others
Ground rent (refer note i below)	1,541.81	1,479.03
Employees' state insurance (refer note ii below)	247.83	241.11
Provision for others (freight claims)	293.44	293.44
	2,083.08	2,013.58

- The Land Policy of Port land has been revised as per the Land Policy Guidelines issued by the Ministry of Shipping, Government of India. Pursuant to the said policy and pending outcome of negotiation with Paradeep Port Trust, the Company has made provision towards ground rent, interest and taxes amounting to ₹ 1,541.81 (31 March 2025: ₹ 1,479.03) against the demand raised by Paradeep Port Trust.
- Employees' State Insurance Corporation (ESIC) raised various demands against the Company in respect of both contract labourers and employees in earlier years, which were contested by the Company in various Courts and Authorities. The Company is continuing with the provision existing in the books as on 31 March 2026 as ₹ 247.83 (31 March 2025: ₹ 241.11)

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Note 17: Income Tax

A. Amount recognised in the profit or loss

	For the year ended 31 March 2026	For the year ended 31 March 2025
Current tax expense :		
Current year	31,072.64	22,873.47
Income tax for earlier years	(146.08)	(479.45)
Deferred tax charge / (credit):		
Relating to origination and reversal of temporary differences	2,657.90	2,479.85
Tax for earlier years	(423.98)	-
Net Deferred tax movement	2,233.92	2,479.85
Total tax expense	33,160.48	24,873.87

B. Amount recognised in the Other Comprehensive Income

	For the year ended 31 March 2026	For the year ended 31 March 2025
Deferred tax charge / (credit) to remeasurement of defined benefit liability	121.22	(179.11)

C. Reconciliation of effective tax rate

	For the year ended 31 March 2026	For the year ended 31 March 2025
Profit before income tax from continuing operations	1,32,796.07	91,087.68
Share of loss from associate	48.81	71.79
Profit before income tax	1,32,844.88	91,159.47
At India's statutory income tax rate of 25.168%	33,434.40	22,943.02
Tax effects of amount which are not deductible / (taxable) in calculating taxable income -		
CSR expenditure	326.40	217.25
Impact of capitalisation on carrying value of assets	-	818.25
Interest under Section 234B/234C	96.61	105.40
Donation	0.35	378.07
On stamp duty	-	629.20
Others	(127.22)	262.13
Effective tax charge	33,730.54	25,353.32
Add: Tax impact for earlier years	(570.06)	(479.45)
Tax expenses as per the Statement of Profit and Loss	33,160.48	24,873.87

D. Movement in Deferred tax balances

	Balance as at 1 April 2025	Recognised in profit or loss	Recognised in OCI	Balance as at 31 March 2026
Deferred tax liabilities				
Property, plant and equipment (including intangible assets)	40,950.18	2,971.88	-	43,922.06
On account of statutory dues	146.92	-	-	146.92
On account of others	82.41	(82.41)	-	-
Total deferred income tax liabilities	41,179.51	2,889.47	-	44,068.98
Deferred tax assets				
Effect of loss allowance	3,502.26	49.06	-	3,551.32
Expenses allowable under income tax on payment basis under Section 43B of the Income-tax Act, 1961	4,851.62	648.86	(121.22)	5,379.26
Provision for other liabilities	854.85	(42.37)	-	812.48
Total deferred income tax assets	9,208.73	655.55	(121.22)	9,743.06
Net deferred tax liabilities / (assets)	31,970.78	2,233.92	121.22	34,325.92

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

	Balance as at 1 April 2024(Restated)*	Recognised in profit or loss	Recognised in OCI	Balance as at 31 March 2025
Deferred tax liabilities				
Property, plant and equipment (including intangible assets)	38,016.91	2,933.27	-	40,950.18
On account of statutory dues	650.34	(503.42)	-	146.92
On account of others	-	82.41	-	82.41
Total deferred income tax liabilities	38,667.25	2,512.26	-	41,179.51
Deferred tax assets				
Effect of loss allowance	3,384.04	118.22	-	3,502.26
Expenses allowable under income tax on payment basis under Section 43B of the Income-tax Act, 1961	4,737.57	(65.06)	179.11	4,851.62
Provision for other liabilities	875.60	(20.75)	-	854.85
Total deferred income tax assets	8,997.21	32.41	179.11	9,208.73
Net deferred tax liabilities / (assets)	29,670.04	2,479.85	(179.11)	31,970.78

* Includes impact of business combination adjusted against goodwill as at 1 April 2024 ₹4,188.62.

Note 18: Trade payables

	As at 31 March 2026	As at 31 March 2025
Total outstanding dues of micro enterprises and small enterprises	7,199.09	4,555.10
Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Related parties (refer Note 33)	1,02,380.29	90,255.21
- Others	1,98,867.26	1,35,409.04
	3,08,446.64	2,30,219.35

Trade payables are carried at amortised cost which are a reasonable approximation of their fair value.

Trade payables include acceptances from related parties and others amounting to ₹94,355.78 and ₹62,263.27 (31 March 2025: ₹ 75,355.55 and ₹ 32,516.39) respectively.

Note:

Trade payables and acceptances are non-interest bearing and are normally settled on 30 to 180 day terms.

The amount due to Micro and small enterprises as defined under Micro Small and Medium Enterprise Development Act, 2006 has been determined to the extent such suppliers have been identified on the basis of information available with the Company. The details are as under:

	As at 31 March 2026	As at 31 March 2025
(i) the principal amount remaining unpaid at the end of financial year	7,039.67	4,554.43
interest due thereon remaining unpaid to any supplier as at the end of financial year	158.75	-
(ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	158.75	-

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for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

	As at 31 March 2026	As at 31 March 2025
(iv) the amount of interest accrued and remaining unpaid at the end of the year	158.75	-
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	159.42	0.67

Trade payable ageing schedule

As at 31 March 2026

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	
(i) MSME	1,781.91	5,416.29	0.22	-	0.67	7,199.09
(ii) Others	58,416.09	1,59,840.24	33,403.55	5,059.97	6,172.56	2,62,892.41
(iii) Disputed Dues-MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
(v) Unbilled dues	38,355.14	-	-	-	-	38,355.14
Total	98,553.14	1,65,256.53	33,403.77	5,059.97	6,173.23	3,08,446.64

As at 31 March 2025

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	
(i) MSME	1,626.05	2,928.38	-	-	0.67	4,555.10
(ii) Others	37,821.02	1,52,187.00	2,178.21	3,404.43	1,578.21	1,97,168.87
(iii) Disputed Dues-MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
(v) Unbilled dues	28,495.38	-	-	-	-	28,495.38
Total	67,942.45	1,55,115.38	2,178.21	3,404.43	1,578.88	2,30,219.35

Note 19: Other current liabilities

	As at 31 March 2026	As at 31 March 2025
Rebate liabilities	7,674.23	4,744.95
Interest on statutory dues	383.85	337.39
Statutory dues	10,703.14	10,660.71
Advance from customers	3,507.50	1,123.10
	22,268.72	16,866.15

Note 20: Revenue from operations

	For the year ended 31 March 2026	For the year ended 31 March 2025
Sale of products	10,10,858.73	8,11,623.92
Subsidy from the Government of India on fertilizers (refer note (c) below)	11,62,505.61	8,82,241.01
Sale of services	8,258.56	2.77
Other operating revenues - Scrap sales	1,011.12	1,997.06
Revenue from operations *	21,82,634.02	16,95,864.76

* Revenue is net of rebates, discounts and goods and service tax.

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for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

(a) Reconciliation of revenue recognised with contract price:

	For the year ended 31 March 2026	For the year ended 31 March 2025
Contract price	22,03,896.38	17,19,179.83
Adjustment for:		
Variable considerations - rebates	(21,262.36)	(23,315.07)
Revenue from operations	21,82,634.02	16,95,864.76

(b) Contract balances

	As at 31 March 2026	As at 31 March 2025
Trade receivables	4,79,049.08	3,06,697.69
Contract liabilities - advance from customers	3,507.50	1,123.10

The contract liabilities convert to revenue within one year from the reporting date.

(c) Subsidy from Government of India on fertilizers:

	For the year ended 31 March 2026	For the year ended 31 March 2025
On finished goods [including freight subsidy ₹ 59,483.80 (31 March 2025: ₹ 50,914.00)]	9,53,727.12	8,22,402.47
On traded goods [including freight subsidy ₹ 10,333.85 (31 March 2025: ₹ 6,177.78)]	2,08,778.49	59,838.54
	11,62,505.61	8,82,241.01

Note 21: Other income

	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest income on:		
Bank deposits*	1,166.44	3,206.84
Income tax refund	286.43	181.65
Others*	1,419.13	840.82
Rent income	466.44	563.77
Loss allowance written back	76.44	427.80
Excess provision/unclaimed balances written back	335.14	828.81
Profit on sale of current investments	5,882.58	3,188.20
Miscellaneous income	5,024.90	5,566.48
	14,657.50	14,804.37

* Interest income calculated using effective interest method in relation to financial assets carried at amortised cost.

Note 22: Cost of raw materials consumed

	For the year ended 31 March 2026	For the year ended 31 March 2025
Inventory at the beginning of the year	1,35,112.09	1,03,726.02
Add: Purchases	14,22,856.27	10,65,213.12
Add: Adjustment on account of business acquisition (refer Note 45)	1,135.24	-
Less: Inventory at the end of the year	(2,26,785.34)	(1,35,112.09)
Less: Traded goods transferred from raw materials	(7,854.52)	(3,904.35)
Add: Traded goods transferred to raw materials	283.18	467.52
Cost of raw materials consumed	13,24,746.92	10,30,390.22

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Note 23: Changes in inventories of finished goods, stock-in-trade and work in progress

	For the year ended 31 March 2026	For the year ended 31 March 2025
Opening stock		
- Finished goods	57,375.82	52,092.23
- Intermediates (work in progress)	15,837.14	11,531.61
- By-Products	14,029.11	14,388.26
- Traded goods (stock in trade)	13,140.67	2,922.47
Total (A)	1,00,382.74	80,934.57
Add:- Adjustment on account of business acquisition (refer Note 45)		
- Finished goods	1,112.28	-
- Intermediates (work in progress)	792.76	-
Total (B)	1,905.04	-
Less: Closing stock		
- Finished goods	1,24,016.21	57,375.82
- Intermediates (work in progress)	27,426.41	15,837.14
- By-Products	11,909.84	14,029.11
- Traded goods (stock in trade)	53,691.76	13,140.67
Total (C)	2,17,044.22	1,00,382.74
Traded goods transferred from raw materials	(7,854.52)	(3,904.35)
Traded goods transferred to raw materials	283.18	467.55
Total (D)	(7,571.34)	(3,436.80)
(Increase)/ decrease in inventories of finished goods, stock-in trade and work-in-progress (A+B-C-D)	(1,07,185.10)	(16,011.37)

Note 24: Employee benefits expense

	For the year ended 31 March 2026	For the year ended 31 March 2025
Salaries, wages and bonus	27,239.45	26,241.50
Contribution to provident and other funds	2,126.25	1,992.61
Expenses related to post employment defined benefit plan (refer Note 32)	822.39	520.35
Staff welfare expenses	3,391.19	3,066.74
Share based payments (equity settled)	89.08	236.50
Total employee benefits expense	33,668.36	32,057.70

Note 25: Finance costs

	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest expense on financial liabilities measured at amortised cost*	33,349.00	34,763.31
Exchange differences to the extent considered as an adjustment to borrowing costs	14,516.47	4,613.62
Bank charges	4,528.92	4,603.42
Interest on income tax	383.85	337.39
Total finance costs	52,778.24	44,317.74

* Net of amount included in the cost of qualifying assets.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Note 26: Depreciation and amortisation expense

	For the year ended 31 March 2026	For the year ended 31 March 2025
Depreciation of property, plant and equipment (refer Note 4(a))	39,864.41	33,980.35
Amortisation of intangible assets (refer Note 4(d))	116.84	98.68
Amortisation of right of use assets (refer Note 4(c))	338.41	349.97
Total depreciation and amortisation expense	40,319.66	34,429.00

Note 27: Other expenses

	For the year ended 31 March 2026	For the year ended 31 March 2025
Consumption of stores and spare parts	7,848.04	8,103.11
Consumption of packing materials	15,135.95	14,133.63
Chemical consumed	4,584.77	4,225.49
Catalysts consumed	1,911.78	644.47
Payment to contractors for bagging and other services	12,428.66	10,092.15
Power and fuel	1,16,365.17	1,35,757.67
Water charges	3,228.07	3,356.26
Rent [refer note (ii) below]	1,335.40	1,019.86
Rates and taxes	439.09	2,902.91
Insurance	4,179.49	3,458.14
Repairs and maintenance:		
Plant and machinery	11,113.03	7,978.01
Buildings	1,385.39	866.85
Others	1,765.99	1,589.04
Selling and distribution expenses:		
Freight and handling	1,08,148.20	95,784.13
Warehouse rent	1,015.15	760.82
Commission	-	284.55
Publicity and sales promotion expenses	2,094.72	1,552.75
Other selling expenses	720.47	1,101.30
Travelling and conveyance expenses	1,810.37	1,581.71
Professional, consultancy and legal expenses	2,153.32	1,812.40
Corporate social responsibility expenditure	1,296.88	863.19
Donation *	1.39	1,502.20
Payment to statutory auditors [refer note (i) below]	312.22	229.20
Exchange differences (net)	5,029.86	3,803.61
Bad debts, claims and advances written off, net of provision of ₹ 1,683.00 (31 March 2025: ₹262.02)	7.26	389.22
Loss allowance	1,939.57	941.81
Loss on sale/discard of property, plant and equipment (net)	5,615.47	2,394.24
Miscellaneous expenses	8,614.89	10,196.33
Total other expenses	3,20,480.60	3,17,325.05

* Donation for the year ended 31 March 2025 includes contribution to prudent electoral trust of ₹ 1500

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

(i) Auditors' remuneration

	For the year ended 31 March 2026	For the year ended 31 March 2025
As auditors *		
- Statutory audit	98.25	90.00
- Tax audit	10.00	10.00
- Other services	180.50	117.05
Reimbursement of expenses	23.47	12.15
	312.22	229.20

* Includes fees for predecessor auditor of erstwhile Mangalore Chemicals and Fertilizers Ltd ₹ 5.25

(ii) Leases

Short-term leases

The Company leases office which are considered to be short-term leases as the agreement is for the period of 12 months and below.

	For the year ended 31 March 2026	For the year ended 31 March 2025
Expenses relating to short-term leases	1,335.40	1,019.86
Total cash outflow for leases	1,335.40	1,019.86

Lease payments for short-term leases not included in the measurement of the lease liability and are classified as cash flows from operating activities

Note 28: Earnings per share

A. Basic and diluted earnings per share

	For the year ended 31 March 2026	For the year ended 31 March 2025
(i) Profit for the year, attributable to the equity holders of the Company	99,635.59	66,213.81
(ii) Weighted average number of equity shares - Nominal value of shares at ₹10 each ^		
Basic (a)	1,03,77,11,061	1,03,66,62,110
Impact of employee stock option plans (b)	7,85,028	11,47,561
Diluted (c = a + b)	1,03,84,96,089	1,03,78,09,671
(iii) Earnings per share (Basic) [(i)/ (ii)]	9.60	6.39
(Diluted) [(i)/ (ii)]	9.59	6.38

Note:- The calculation of basic include impact of shares issued during the year. The calculation of diluted weighted average number of shares include impact of employee share option plans.

Note 29: Contingent liabilities (to the extent not provided for)

Particulars	As at 31 March 2026	As at 31 March 2025
Claims against Company not acknowledged as debt		
Subsidy withheld	-	5,352.12
Goods and services tax demand	2,393.10	1,915.52
Entry tax demand on imported raw materials including interest and penalty	2,649.97	2,909.39
Sales tax/VAT/CST demands	141.13	141.13
Central Excise demands	638.96	638.96
Service tax demand	15.49	15.49
Custom duty and countervailing duty	945.11	991.47
Income tax demands	2,537.71	2,537.71
Demand under Goa green Cess Act 2013	-	5,432.36
Others claims against the Company not acknowledged as debt (refer Note (a) below)	6,698.28	5,433.72

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

a) Others claims against the Company not acknowledged as debt

It includes the following:

Particulars	As at 31 March 2026	As at 31 March 2025
Penal interest on loan from Government of India, due to delay	344.43	344.43
Industrial dispute and miscellaneous labour cases pending at various forums at different stages of dispute.	518.58	505.24
Interest on water charges due to delay in payments	5,804.64	4,576.92
Others	30.63	7.13
	6,698.28	5,433.72

Based on discussions with the solicitors / favorable decisions in similar cases / legal opinions taken by the Company, the management believes that the Company has a good chance of success in the above mentioned cases and hence, no provision is considered necessary. The above has been compiled based on the information and records available with the Company.

Note 30: Commitments

Capital commitments

Particulars	As at 31 March 2026	As at 31 March 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances	17,549.50	43,534.13

Note 31: Operating Segments

a. Basis of segmentation

The Company's business activity falls within a single Operating Segment "Fertilizers and Other Trading Materials", and thus no further disclosures are required in accordance with Indian Accounting Standard (Ind AS)– 108 "Operating Segment".

b. Geographic information

The Company primarily operates in and therefore no geographical segment information has been provided herein.

Note 32: Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits'

Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on terms not lower than the amount payable under Labour Code. The scheme is funded with Life insurance Corporation of India (LIC) in the form of qualifying insurance policy. The Company undertakes all the risk pertaining to the plan.

Post Retirement medical benefit plan

The Company has a defined benefit post retirement medical benefit plan, for its employees. The Company provides medical benefit to those employees who leave the services of the Company on retirement. As per the plan, retired employee and the spouse will be covered till the age of 85 years and the dependent children till they attain the age of 25 years. In case of death of retired employee, the spouse will be covered till the age of 85 years and the dependent children till they attain the age of 25 years. The plan is not funded by the Company.

Provident fund

The Company has set up provident fund trust wherein contributions are made and accordingly the same is considered as a defined benefit plan in accordance with Ind-AS 19, Employee Benefits, wherein provident funds set up by employers, which requires interest shortfall to be met by the employer, needs to be treated as defined benefit plan. During the current year, actuarial valuation of Provident Fund was carried out in accordance with the guidance note issued by the Institute of Actuaries.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

A. Defined contribution plan:

The amount provided for defined contribution plans are follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Provident Fund	182.84	191.94
Pension Scheme	323.43	295.77
Superannuation Fund	264.77	272.22
National Pension Scheme	390.56	333.82
Total	1,161.60	1,093.75

B. Gratuity and other post-employment benefit plans:

Particulars	As at 31 March 2026	As at 31 March 2025
Gratuity Plan - (Liability)	(2,889.96)	(2,223.50)
Post retirement medical benefits plan - (Liability)	(232.56)	(110.14)

C. Other long term employee benefits:

The amount provided for during the year is as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Leave encashment	1,840.32	1,839.53

D. Reconciliation of the net defined benefit (asset)/ liability

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Gratuity plan:

Particulars	As at 31 March 2026			As at 31 March 2025 [Refer Note 44(a)]		
	Defined benefit obligation	Fair value of plan assets	Benefit (liability)	Defined benefit obligation	Fair value of plan assets	Benefit (liability)
Balance at the beginning of the year	(8,510.05)	6,286.55	(2,223.50)	(6,871.60)	5,753.60	(1,118.00)
Adjustment on account of business combination [refer Note 44(a)]	-	-	-	(1,482.93)	206.88	(1,276.05)
Balance at the beginning of the year (Restated)	(8,510.05)	6,286.55	(2,223.50)	(8,354.53)	5,960.48	(2,394.05)
Adjustment on account of business combination [refer Note 45]	(13.23)	-	(13.23)	-	-	-
Included in Profit or loss						
Current service cost	(462.45)	-	(462.45)	(349.25)	-	(349.25)
Past service cost	(2,637.99)	-	(2,637.99)	-	-	-
Net interest expense/income	(629.81)	423.27	(206.54)	(597.67)	425.97	(171.70)
	(3,730.24)	423.27	(3,306.98)	(946.92)	425.97	(520.95)
Included in OCI						
Return on plan assets (excluding amounts included in net interest expense)	-	120.31	120.31	-	(21.23)	(21.23)
Actuarial gain arising from experience adjustment	125.39	-	125.39	(377.24)	-	(377.24)
Changes in financial assumptions	350.84	-	350.84	(289.97)	-	(289.97)
Changes in demographic assumptions	-	-	-	(1.14)	-	(1.14)
	476.23	120.31	596.54	(668.35)	(21.23)	(689.58)

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Particulars	As at 31 March 2026			As at 31 March 2025 [Refer Note 44(a)]		
	Defined benefit obligation	Fair value of plan assets	Benefit (liability)	Defined benefit obligation	Fair value of plan assets	Benefit (liability)
Others						
Benefits paid	1,361.10	(1,361.10)	-	1,459.75	(1,459.75)	-
Contributions paid by employer	-	2,057.21	2,057.21	-	1,381.08	1,381.08
Other adjustments	-	-	-	-	-	-
Balance at the end of the year	(10,416.20)	7,526.24	(2,889.96)	(8,510.05)	6,286.55	(2,223.50)

Post retirement medical benefits plan:

Particulars	As at 31 March 2026			As at 31 March 2025 [Refer Note 44(a)]		
	Defined benefit obligation	Fair value of plan assets	Benefit (liability)	Defined benefit obligation	Fair value of plan assets	Benefit (liability)
Balance at the beginning of the year	(110.14)	-	(110.14)	(82.35)	-	(82.35)
Included in Profit or loss						
Current service cost	-	-	-	-	-	-
Past service cost	-	-	-	-	-	-
Net interest expense/income	(7.42)	-	(7.42)	(5.88)	-	(5.88)
	(7.42)	-	(7.42)	(5.88)	-	(5.88)
Included in OCI						
Return on plan assets (excluding amounts included in net interest expense)	-	-	-	-	-	-
Actuarial loss (gain) arising from experience adjustment	(125.28)	-	(125.28)	(18.62)	-	(18.62)
Changes in financial assumptions	10.28	-	10.28	(3.29)	-	(3.29)
Changes in demographic assumptions	-	-	-	-	-	-
	(115.00)	-	(115.00)	(21.91)	-	(21.91)
Balance at the end of the year	(232.56)	-	(232.56)	(110.14)	-	(110.14)

E. Investment pattern in plan assets:

Particulars	As at 31 March 2026	As at 31 March 2025
	Gratuity Fund	Gratuity Fund
Investment with insurers	100.00%	100.00%

F. Economic assumptions

Particulars	As at 31 March 2026	As at 31 March 2025
	%	%
Discount rate:		
Gratuity plan	7.35%	6.75%
Post retirement medical benefits	7.35%	6.75%
Future salary increase:		
Gratuity plan	8% for first two years and 6.50% thereafter	8% for first two years and 6.50% thereafter

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

G. Sensitivity analysis

Gratuity plan:

Particulars	As at 31 March 2026		As at 31 March 2025 [Refer Note 44(a)]	
Assumption: Discount rate				
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(609.14)	695.70	(470.03)	533.27
Assumption: Future salary increase				
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	416.33	(409.59)	377.40	(356.48)

Post retirement medical benefits plan:

Particulars	As at 31 March 2026		As at 31 March 2025 [Refer Note 44(a)]	
Assumption: Discount rate				
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(15.59)	17.57	(7.92)	8.99

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

Sensitivities due to mortality & withdrawals are not material and hence impact of change has not been calculated.

H. Maturity Profile of Defined benefit obligation:

Particulars	As at 31 March 2026		As at 31 March 2025 [Refer Note 44(a)]	
	Gratuity Fund	Post retirement medical benefits plan	Gratuity Fund	Post retirement medical benefits plan
Within next 12 months	1,624.49	18.46	1,373.01	7.95
Between 2 and 5 years	5,040.71	77.91	4,419.71	33.99
Between 6 and 10 years	3,526.80	101.83	2,822.80	45.26
Beyond 10 Years	11,768.95	190.60	6,982.29	94.41

The weighted average duration of the defined benefit plan obligation relating to gratuity at the end of the reporting year is 6/10 years (31 March 2025: 5 years).

The Company expects to contribute ₹ 3,361.11 (31 March 2025: ₹ 2,601.63) and ₹ 1,247.52 (31 March 2025: ₹ 1,109.42) to gratuity trust and provident fund trust respectively in the next financial year.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

I. Risk exposure

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the Company is exposed to various risks in providing the above defined benefit which are as follows:

Interest rate risk	The present value of defined benefit obligation is determined using the discount rate based on the market yield prevailing at the end of the reporting period on Government Bonds. A decrease in yield will increase the fund liabilities and vice-versa.
Investment Risk	This may arise from volatility in the assets value due to market fluctuation and impairment of assets due to credit losses. These plan assets are invested with LIC - the valuation of which is inversely proportional to the interest rate movements.
Inherent risk	The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risk pertaining to the plan. In particular, this exposes the Company, to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to longevity risk.
Salary escalation risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
Withdrawal risk	Deviations in actual withdrawal than assumed withdrawals and change of withdrawal rates at subsequent valuation can impact plan liability.

Note 33: Related Party Disclosure

A. Name of Related Parties

Holding Company

Zuari Maroc Phosphates Private Limited

Joint Venturer of the Holding Company

Zuari Agro Chemicals Limited

OCP S.A., Morocco

Subsidiary of the Joint Venturer of the Holding Company

Zuari FarmHub Limited

Party having significant influence

Zuari Industries Limited (Erstwhile Zuari Global Limited)

Zuari Management Services Limited

Zuari Infracore India Limited

Zuari IAV Private Limited

Simon India Limited

Phosphates De Boucraa SA

Pakistan Maroc Phosphore

Jorf Fertilizer SA

OCP Nutricrops SA

OCP Maintenance Solutions

Kofert

Adventz Finance Private Limited

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Zuari IAV Private Limited

Texmaco Rail & Engineering Limited

Joint Venture of Joint Venturer of the Holding Company

Indo Maroc Phosphare S.A. Morocco

Associate of the Company

Zuari Yoma Agri Solutions Limited

Key Managerial Personnel

Mr. N. Suresh Krishnan, Managing Director

Mr. K K Rajeev Nambiar, Joint Managing Director & Chief Operating Officer (w.e.f. 1 April 2026)

Mr. Bijoy Kumar Biswal, Chief Financial Officer

Mr. Sachin Patil, Company Secretary

Directors

Mr. S. K. Poddar, Chairman

Mr. Akshay Poddar, Vice Chairman (w.e.f. 6 November 2025)

Mr. Karim Lotfi Senhadji, Director

Mr. Soual Mohamed, Director

Mr. Marco P.A. Wadia, Independent Director (w.e.f. 18 March 2026)

Mr. Satyananda Mishra, Independent Director

Mr. Dipankar Chatterji, Independent Director

Mr. Subhrakanta Panda, Independent Director

Mrs. Rita Menon, Independent Director

Mrs. Ruchira Kamboj, Independent Director (w.e.f. 6 November 2025)

Enterprise where Director is interested

Lionel India Limited

Employee benefit trust

PPL Employee's Provident Fund

B. Transactions :

Name of Related Party	Sl. No.	Nature of Transactions	For the year ended 31 March 2026	For the year ended 31 March 2025
Indo Maroc Phosphare S.A. Morocco	a)	Purchase of raw materials (Phosphoric acid)	2,54,126.83	1,64,848.36
	b)	Other expenses (Demurrage Expenses)	169.28	136.97
	c)	Other Income-Excess Liability written back	32.03	-
	d)	Other expenses (Claims Written off)	-	236.42
OCP S.A., Morocco	a)	Purchase of raw materials (Rock phosphate)	70,356.89	1,23,716.08
	b)	Purchase of raw materials (Phosphoric acid)	10,592.80	53,840.34
	c)	Other expenses (Despatch money / Demurrage expenses)	7.23	232.39
OCP Nutricrops SA	a)	Purchase of stock-in-trade (Imported TSP)	1,41,586.04	31,914.52
	b)	Purchase of stock-in-trade (Imported DAP)	-	28,630.48
	c)	Revenue from operations-Sale of service	8,255.48	-

Notes to the Consolidated Financial Statements

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(All amounts are in rupees lakhs, unless otherwise stated)

Name of Related Party	Sl. No.	Nature of Transactions	For the year ended 31 March 2026	For the year ended 31 March 2025
OCP Maintenance Solutions	a)	Import of service	9.14	-
Kofert	a)	Purchase of stock-in-trade (Imported DAP)	67,945.85	18,227.85
Phosphates De Boucraa S.A	a)	Purchase of raw materials (Rock phosphates)	2,08,743.67	1,16,819.27
	b)	Other expenses (Despatch money/Demurrage Expenses)	170.63	(334.76)
Jorf Fertiliser SA	a)	Purchase of stock-in-trade (Imported TSP)	24,485.27	10,946.86
	b)	Purchase of stock-in-trade (Imported DAP)	44,888.58	-
	c)	Other expenses (Demurrage Expenses)	12.76	-
Zuari Agro Chemicals Limited	a)	Sale of fertilizers and high sea sale	2,603.75	-
	b)	Purchase of plant, property & equipment	-	1,205.00
	c)	Other Expenses (Recovery of reimbursement of expenses)	179.85	2.02
	d)	Purchase of business	7,275.00	-
	e)	Other expenses (Claims written off)	-	318.34
	f)	Other expenses (Rent)	-	0.43
	g)	Other income (Interest others)	374.93	928.84
	h)	Dividend paid	960.43	960.43
Zuari Industries Limited (Erstwhile Zuari Global Limited)	a)	Other expenses (Lease rent)	15.45	-
	b)	Dividend paid	-	4.59
Zuari FarmHub Limited	a)	Sale of fertilizers	30,917.32	26,873.54
	b)	Purchase of stock-in-trade (NANO DAP/Urea)	7,338.22	5,954.53
	c)	Other income (Misc income)	2,504.21	1,545.48
	d)	Recovery of expenses	5.13	-
	e)	Other Expenses (Reimbursement of expenses)	95.09	58.30
Simon India Limited	a)	Purchase of fixed asset	5,715.25	1,107.98
	b)	Advance paid for purchase of asset	1,121.81	-
	c)	Other Income-Rent	2.49	-
	d)	Other Expenses (Reimbursement of expenses)	666.47	40.85
Zuari Management Services Limited	a)	Other Expenses (Reimbursement of expenses)	1,198.91	992.84
Lionel India Limited	a)	Other expenses (Purchase of air ticket)	455.74	598.33
Adventz Finance Private Limited	a)	Other Expenses (Rent)	346.21	247.60
	b)	Dividend paid	-	65.25
Zuari IAV Private Limited	a)	Other Expenses (Reimbursement of expenses)	5.62	1.23
Texmaco Rail & Engineering Limited	a)	Other Income (Lease rent)	62.50	125.00
	b)	Other Expenses (Recovery of reimbursement of expenses)	-	11.17
Zuari Maroc Phosphates Private Limited	a)	Recovery of expenses	-	10.30
	b)	Purchase of Raw material-Sulphuric Acid & Ammonia	9,323.86	6,884.06
	c)	Other Expenses (Recovery of reimbursement of expenses)	25.00	-
	d)	Other Income-Excess Liability written back	10.30	-
	e)	Other Expenses (Reimbursement of expenses)	61.03	-
	f)	Dividend paid	4,569.43	2,284.71
PPL Employee's Provident Fund	a)	Employee benefits expense (Contribution to provident fund)	1,030.43	1,003.84
Mr. N Suresh Krishnan	a)	Managerial remuneration*	942.43	734.59
	b)	Dividend paid	1.40	0.02
Mr. K K Rajeev Nambiar	a)	Remuneration *	340.53	245.24
	b)	Dividend paid	1.64	-

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Name of Related Party	Sl. No.	Nature of Transactions	For the year ended 31 March 2026	For the year ended 31 March 2025
Mr. Bijoy Kumar Biswal	a)	Remuneration *	120.45	94.53
	b)	Dividend paid	0.18	
Mr. Sachin Patil	a)	Remuneration *	30.11	24.68
	b)	Dividend paid	0.04	
Mr. Saroj Kumar Poddar	a)	Director Sitting Fee and commission	10.00	10.00
Mr. Akshay Poddar	a)	Dividend paid	21.04	21.04
Mrs. Kiran Dhingra	a)	Director Sitting Fee and commission	-	9.50
Mr. Marco P.A. Wadia	a)	Director Sitting Fee and commission	-	9.80
Mr. Satyananda Mishra	a)	Director Sitting Fee and commission	15.80	14.60
Mr. Dipankar Chatterjee	a)	Director Sitting Fee and commission	15.40	15.10
Mr. Subhrakanta Panda	a)	Director Sitting Fee and commission	12.50	12.50
Mrs. Rita Menon	a)	Director Sitting Fee	16.20	11.40
Mrs. Ruchira Kamboj	a)	Director Sitting Fee	0.50	-

* The managerial remuneration to key management personnel include expenses related to post employment plans ₹351.48 and share based payments reversal of ₹52.35.

C. Balance outstanding

Name of Related Party	Sl. No.	Nature of Transactions	As at 31 March 2026	As at 31 March 2025
Indo Maroc Phosphare S.A. Morocco	a)	Trade payables - Purchase of raw material	50,161.46 Cr	40,918.81 Cr
	b)	Claims receivable	6,186.02 Dr	3,906.16 Dr
OCP S.A., Morocco	a)	Trade Payable - Purchase of raw material	12,012.32 Cr	13,915.17 Cr
	b)	Claims receivable	8,573.20 Dr	16,248.38 Dr
OCP Nutricrops SA	a)	Trade Payables - Purchase of traded material	190.26 Cr	-
	b)	Trade receivable - Service income	2,240.95 Dr	-
	c)	Claims receivable	-	3,063.87 Dr
OCP Maintenance Solutions	a)	Import of Service	9.14 Cr	-
Pakistan Maroc Phosphore SA	a)	Trade payables - Purchase of raw material	28.31 Cr	27.19 Cr
Phosphates De Boucraa S.A	a)	Trade Payables - Purchase of raw material	37,723.05 Cr	34,433.50 Cr
	b)	Claims receivable	25,065.30 Dr	23,240.39 Dr
Jorf Fertiliser SA	a)	Trade Payables - Purchase of raw material	-	678.84 Cr
	b)	Claims receivable	271.39 Dr	1,520.38 Dr
	c)	Trade Payables - Purchase of traded material	764.90 Cr	13.57 Cr
Zuari Yoma Agri Solutions Limited	a)	Investment in associate	365.60 Dr	365.60 Dr
	b)	Other receivable - Reimbursement of expenses	56.18 Dr	56.18 Dr
Zuari Agro Chemicals Limited	a)	Trade receivables - Sale of fertilizers	-	8,891.09 Dr
	b)	Other financial assets-Interest receivables	6126.64 Dr	5845.51 Dr
	c)	Trade receivable - Reimbursement of expenses	8.28 Dr	0.86 Dr
	d)	Other Financial Assets -Other Receivable	16.06 Dr	-
Zuari FarmHub Limited	a)	Trade receivables - Sale of Fertilizers	7,347.61 Dr	4,772.64 Dr
	b)	Trade payable	-	6.83 Cr
	c)	Trade receivables - Recovery of expenses	-	10.38 Dr
Simon India Limited	a)	Capital advance - Purchase of fixed asset	1,457.46 Dr	335.65 Dr
	b)	Advance to vendors	0.46 Dr	8.85 Dr
	c)	Trade receivable - Rent income	2.49 Dr	-
	d)	Trade Payable - Reimbursement of expenses	-	5.40 Cr
	e)	Other financial liabilities-Creditors of PPE	1,362.49 Cr	-

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for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Name of Related Party	Sl. No.	Nature of Transactions	As at 31 March 2026	As at 31 March 2025
Zuari Management Services Limited	a)	Trade Payables - Reimbursement of expenses	-	36.37 Cr
Zuari Infraworld India Limited	a)	Advance to vendors - Reimbursement of expenses	25.61 Dr	25.61 Dr
Lionel India Limited	a)	Trade payables - Purchase of air ticket	130.85 Cr	102.20 Cr
Texmaco Rail & Engineering Limited	a)	Trade Receivables - Leased rent	-	22.50 Dr
Adventz Finance Private Limited	b)	Other financial liabilities - security deposit	62.50 Cr	62.50 Cr
	a)	Security deposit	170.00 Dr	60.00 Dr
Zuari IAV Private Limited	a)	Trade payables	-	1.21 Cr
Zuari Maroc Phosphates Private Limited	a)	Trade payables	-	10.30 Cr
PPL Employee's Provident Fund	a)	Contribution to provident fund	83.80 Cr	84.06 Cr

Note 34: Financial instruments - Fair value of financial assets and financial liabilities

(a) Accounting classifications and fair values:

	Fair Value Hierarchy	As at 31 March 2026	As at 31 March 2025
Derivative financial liabilities	Level 2	-	4,686.37
Investments	Level 2	2,099.02	26,909.79
Derivative financial assets	Level 2	15,690.50	-

Particulars	For the year ended 31 March 2026			For the year ended 31 March 2026		
	FVTPL	FVOCI	Amortised cost *	Level 1	Level 2	Level 3
Financial assets						
Investments	329.50	-	-	-	329.50	-
Other financial assets	-	-	2,404.96	-	-	-
Current financial assets						
Trade receivables	-	-	4,79,049.08	-	-	-
Cash and cash equivalents	-	-	36,344.81	-	-	-
Other bank balances	-	-	2,807.38	-	-	-
Other current financial assets						
Derivative financial asset	15,690.50	-	-	-	15,690.50	-
Claims receivable	-	-	42,671.11	-	-	-
Investments	1,769.52	-	-	-	1,769.52	-
Interest receivable on deposits, receivables etc	-	-	6,285.84	-	-	-
Receivables from Gas pool operator	-	-	386.55	-	-	-
Other receivable	-	-	16.06	-	-	-
Total financial assets	17,789.52	-	5,69,965.79	-	17,789.52	-
Financial liabilities						
Non-current financial liabilities						
Borrowings	-	-	81,580.72	-	-	-
Lease liabilities	-	-	3,055.50	-	-	-
Other non-current financial liabilities	-	-	22.36	-	-	-

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for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2026			For the year ended 31 March 2026		
	FVTPL	FVOCI	Amortised cost *	Level 1	Level 2	Level 3
Current financial liabilities						
Borrowings	-	-	6,05,651.60	-	-	-
Lease liabilities	-	-	339.94	-	-	-
Trade and other payables	-	-	3,28,471.71	-	-	-
Security deposits	-	-	20,423.21	-	-	-
Total financial liabilities	-	-	10,39,545.04	-	-	-

Particulars	As at 31 March 2025			As at 31 March 2025		
	FVTPL	FVOCI	Amortised cost *	Level 1	Level 2	Level 3
Financial assets						
Current financial assets						
Trade receivables	-	-	3,06,697.69	-	-	-
Cash and cash equivalents	-	-	93,450.32	-	-	-
Other bank balances	-	-	10,178.78	-	-	-
Other current financial assets						
Claims receivable	-	-	49,286.09	-	-	-
Investments	26,909.79	-	-	-	26,909.79	-
Interest receivable on deposits, receivables etc	-	-	6,370.33	-	-	-
Receivables from Gas pool operator	-	-	3,297.58	-	-	-
Lease rent receivable			51.84			
Total financial assets	26,909.79	-	4,69,332.63	-	26,909.79	-
Financial liabilities						
Non-current financial liabilities						
Borrowings	-	-	85,312.71	-	-	-
Lease liabilities	-	-	3,400.06	-	-	-
Other non-current financial liabilities	-	-	86.94	-	-	-
Current financial liabilities						
Borrowings	-	-	4,21,030.41	-	-	-
Lease liabilities	-	-	232.09	-	-	-
Trade and other payables	-	-	2,41,019.87	-	-	-
Derivatives financial liabilities	4,686.37	-	-	-	4,686.37	-
Security deposits	-	-	19,238.16	-	-	-
Total financial liabilities	4,686.37	-	7,70,320.24	-	4,686.37	-

* The carrying amounts of these financial instruments are a reasonable approximation of their fair value.

The fair value of investments in mutual funds is based on the net asset value (NAV) as stated by the issuers of these mutual fund units in the published NAV statements as at the Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which the issuer will redeem such units from the investors.

The fair value of derivatives is determined using quoted forward exchange rates at the reporting date.

There has been no transfer between level 1, level 2 and level 3 during the year.

Notes to the Consolidated Financial Statements

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(All amounts are in rupees lakhs, unless otherwise stated)

(b) Class of the carrying amounts and fair value of the Company's financial instruments:

	Carrying value		Fair value	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Financial assets				
Investments	2,099.02	26,909.79	2,099.02	26,909.79
Others:				
Derivative financial assets	15,690.50	-	15,690.50	-
Total financial assets	17,789.52	26,909.79	17,789.52	26,909.79
Financial liabilities				
Borrowings				
Long term borrowings (Floating rate)	81,580.72	85,312.71	81,580.72	85,312.71
Lease liabilities	3,055.50	3,400.06	3,055.50	3,400.06
Others:				
Derivative financial liabilities	-	4,686.37	-	4,686.37
Employee related dues	22.36	24.44	22.36	24.44
Total financial liabilities	84,658.58	93,423.58	84,658.58	93,423.58

The management assessed that cash and cash equivalents, other bank balance, trade receivables, other current financial assets (except derivative financial assets), trade payables, short term borrowings and other current financial liabilities (except derivative financial liabilities) approximate their fair value largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Note 35: Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also enters into derivative contracts. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's risk management is carried out by treasury department under policies approved by the Board of Directors. The treasury department identifies, evaluates and hedges financial risks. The Board of Directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

A Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Financial assets

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the guidelines framed by the Board of directors of the Company. Guidelines broadly covers the selection criterion and over all exposure which the Company can take with a particular financial institution or bank. Further the guideline also covers the limit of overall deposit which the Company can make with a particular bank or financial institution. The Company does not maintain the significant amount of cash and deposits other than those required for its day to day operations.

Notes to the Consolidated Financial Statements

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(All amounts are in rupees lakhs, unless otherwise stated)

Trade receivables

The Company receivables can be classified into two categories, one is from the customers into the market and second one is from the Government in the form of subsidy. As far as Government portion of receivables are concerned, credit risk is nil. For market receivables from the customers, the Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets. The Company has also taken security deposits from its customers, which mitigates the credit risk to some extent.

Reconciliation of loss allowance on:	Trade receivables amount	Other financial assets amount
Balance as at 1 April 2024	6,369.13	209.79
Movement during the year	1,434.03	368.00
Balance as at 31 March 2025	7,803.16	577.79
Movement during the year	(93.31)	-
Balance as at 31 March 2026	7,709.85	577.79

B Liquidity risk

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements at all times. The Company relies on a mix of borrowings and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium/ long term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as at 31 March 2026:

Particulars	Carrying amount	Less than 1 year	1-5 Years	> 5 years
Trade payables	3,08,446.64	3,08,446.64	-	-
Borrowings (including current maturities of non-current borrowings)	6,87,232.32	6,05,651.60	81,580.72	-
Other financial liabilities	40,470.64	40,448.28	22.36	-
Lease liabilities	3,395.44	523.14	1,831.90	4,246.96
Total	10,39,545.04	9,55,069.66	83,434.98	4,246.96

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as at 31 March 2025:

Particulars	Carrying amount	Less than 1 year	1-5 Years	> 5 years
Trade payables	2,30,219.35	2,30,219.35	-	-
Borrowings (including current maturities of non-current borrowings)	5,06,343.12	4,21,030.41	85,312.71	-
Other financial liabilities	34,811.99	34,725.05	86.94	-
Lease liabilities	3,632.15	540.37	2,093.27	4,800.33
Total	7,75,006.61	6,86,515.18	87,492.92	4,800.33

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

C Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant. The analysis exclude the impact of movements in other market variables. Refer sensitivity analyses below.

The following assumptions have been made in calculating the sensitivity analysis:

-The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2026 and 31 March 2025.

(a) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

Sensitivity analysis

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates of various currencies with INR, with all other variables held constant. The impact on the Company's profit before tax and equity is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives. Refer Note 37 for details on foreign currency exposure.

Particulars	Profit and loss	
	As at 31 March 2026	As at 31 March 2025
₹/USD strengthening [5% movement]	(4,005.97)	(68.85)
₹/USD weakening [5% movement]	4,005.97	68.85
₹/EURO strengthening [5% movement]	(3.27)	(99.92)
₹/EURO weakening [5% movement]	3.27	99.92
₹/AED strengthening [5% movement]	(165.52)	(5.70)
₹/AED weakening [5% movement]	165.52	5.70

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company manages fund requirements and performs sensitivity analysis to keep interest rate risk within limits.

Sensitivity analysis

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax and equity is affected through the impact on floating rate borrowings, as follows:

Particulars	Profit and loss	
	As at 31 March 2026	As at 31 March 2025
₹ Borrowings		
Variable rate instruments - increase by 50 basis points	(1,469.56)	(970.50)
Variable rate instruments - decrease by 50 basis points	1,469.56	970.50
Foreign Currency Borrowings-USD		
Variable rate instruments - increase by 50 basis points	(1,772.46)	(1,259.73)
Variable rate instruments - decrease by 50 basis points	1,772.46	1,259.73

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(All amounts are in rupees lakhs, unless otherwise stated)

Particulars	Profit and loss	
	As at 31 March 2026	As at 31 March 2025
Foreign Currency Borrowings-EURO		
Variable rate instruments - increase by 50 basis points	-	(212.20)
Variable rate instruments - decrease by 50 basis points	-	212.20
Foreign Currency Borrowings-AED		
Variable rate instruments - increase by 50 basis points	(192.35)	(89.28)
Variable rate instruments - decrease by 50 basis points	192.35	89.28

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

(c) Commodity price risk

The Company's operating activities require the ongoing purchase of rock phosphates, phosphoric acid, sulphur and muriatic potash. All being international commodities is subject to price fluctuation on account of the change in the demand supply pattern and exchange rate fluctuations. The Company is not affected by the price volatility of the raw materials as government on a time to time basis, revises the subsidy rates payable to the fertilizer industry based on the market trend.

Note 36: Capital management

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital keeping in view the adequate interest and debt service coverage ratio.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

Note 37: Unhedged foreign currency exposure

(a) Forward contract outstanding as at 31 March 2026, against import of goods is ₹ 501,200.81 (31 March 2025: ₹ 492,199.59).

(b) Details of un-hedged foreign currency exposure as on the Balance Sheet date are as follows:

	As at 31 March 2026				As at 31 March 2025			
	(USD in million)	(EURO in million)	(AED in million)	(₹ In lakhs)	(USD in million)	(EURO in million)	(AED in million)	(₹ In lakhs)
Liabilities:								
Trade Payable and Creditors for Property Plant and Equipment (including acceptance)	106.65	0.06	-	1,01,209.17	60.61	0.14	0.15	51,969.80
Short term borrowings- Buyers and Suppliers Credit	25.04	-	11.43	26,693.18	-	1.95	-	1,797.70
Other Interest accrued but not due on borrowings	1.87	-	1.39	2,129.88	1.30	0.22	0.34	1,389.92
Assets:								
Claims receivable	49.07	-	-	46,536.90	60.29	-	-	51,528.66

Notes to the Consolidated Financial Statements

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(All amounts are in rupees lakhs, unless otherwise stated)

Note 38: Reconciliation of liabilities from financing activities.

	For the year ended 31 March 2026	For the year ended 31 March 2025
Balance at the beginning of the year		
- Non-current borrowings	85,312.71	67,650.58
- Current borrowings	4,21,030.41	3,31,786.96
On account of business combination		
- Non-current borrowings	-	29,880.96
- Current borrowings	-	72,063.62
Cash flows		
- Proceeds/(Repayment) of non-current borrowings	(575.65)	(16,399.40)
- Proceeds/(Repayment) of current borrowings	1,45,402.87	20,104.24
Non-cash changes - represents foreign exchange fluctuation and unwinding of interest	36,061.98	1,256.16
Balance at the end of the year		
- Non-current borrowings	81,580.72	85,312.71
- Current borrowings	6,05,651.60	4,21,030.41

Note 39: Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013- 'General instructions for the preparation of Consolidated Financial Information' of Division II of Schedule III

As at end for the period 31 March 2026

Name of the Company	Net assets i.e. total assets minus total liabilities		Share in Profit or Loss		Share in Other comprehensive income		Share in total comprehensive income	
	As % of consolidated Net Assets	Amount	As % of consolidated Profit or Loss	Amount	As % of consolidated Other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Company								
Paradeep Phosphates Limited	100.00%	6,78,265.83	100.05%	99,684.40	80.90%	360.38	99.97%	1,00,044.78
Associate								
Zuari Yoma Agri Solutions Limited	0.05%	370.28	-0.05%	(48.81)	10.89%	48.49	0.00%	(0.32)
Adjustments arising out of consolidation	-0.05%	(365.61)	0.00%	-	8.21%	36.57	0.03%	36.57
Total	100%	6,78,270.50	100%	99,635.59	100%	445.44	100%	1,00,081.03

As at end for the period 31 March 2025

Name of the Company	Net assets i.e. total assets minus total liabilities		Share in Profit or Loss		Share in Other comprehensive income		Share in total comprehensive income	
	As % of consolidated Net Assets	Amount	As % of consolidated Profit or Loss	Amount	As % of consolidated Other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Company								
Paradeep Phosphates Limited	100.01%	5,87,533.60	100.11%	66,285.60	118.00%	(532.38)	100.00%	65,753.22
Associate								
Zuari Yoma Agri Solutions Limited	0.06%	334.04	-0.11%	(71.79)	0.90%	(4.05)	-0.12%	(75.84)
Adjustments arising out of consolidation	-0.06%	(365.61)	0.00%	-	-18.90%	85.25	0.13%	85.25
Total	100%	5,87,502.03	100%	66,213.81	100%	(451.18)	100%	65,762.63

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(All amounts are in rupees lakhs, unless otherwise stated)

Note 40

- a) The Company, in an earlier year, had received an Arbitration Award in its favour in the matter of Cargo Charges Tariff dispute with Paradeep Port Trust (PPT) for the years 1993–1999. PPT in earlier year had appealed with the higher authorities against such award which was confirmed by the Appellate Authority. However, as against the above order, the PPT went into further appeal with the Hon'ble High Court of Odisha and the High Court in its interim order directed the Company not to execute award at this stage. The Company has not recognized this award as income in the Statement of Profit and Loss.
- b) Paradeep Port Trust (PPT) proposed a revision in scale of rates applicable to the Company for cargo handling in the captive berth w.e.f. 1 April 1999. The matter was referred to Tariff Authority of Major Ports (TAMP) on mutual consent of the parties under the direction of Hon'ble High Court of Odisha. During the previous year, TAMP had finalized the rates, but PPT had not agreed with the order and proceeded with a writ petition before the Hon'ble High Court of Odisha against the said order. Pending disposal of the case, the Company has not recognized the amount receivable from PPT towards the excess amount paid over the applicable TAMP order.

Note 41 :

During the year, a sum of ₹ 102.60 (31 March 2025: ₹ 173.68) including capital expenditure of ₹ 3.06 (31 March 2025: ₹ 53.71) was spent on research and development (excluding depreciation charge).

Note 42 : Employee share based payment

Pursuant to the resolutions passed by the Board and by the Shareholders on 10 August 2021, the Company approved 'PPL Employees Stock Option Plan 2021 ("ESOP 2021")' is in compliance with the SEBI SBEB Regulations. The ESOP Scheme is for issue of employee stock options to eligible employees. Upon exercise and payment of the exercise price, an option holder will be entitled to be allotted one Equity Share per employee stock option.

The details of ESOPs are as under:

Vesting conditions	Exercise period	Date of Grant	Numbers of options granted	Exercise price per share
On continued employment with the Company	3 years from date of each vesting	29 April 2022	24,00,058	₹42
On continued employment with the Company	3 years from date of each vesting	20 June 2023	8,14,435	₹51
On continued employment with the Company	3 years from date of each vesting	5 February 2024	4,38,319	₹51 to ₹64
On continued employment with the Company	3 years from date of each vesting	13 February 2026	2,89,392	₹77 to ₹117

Vesting schedule :

Vesting schedule of the said options granted on 29 April 2022 , 20 June 2023 , 5 February 2024 and 13 February 2026 was as follows:

- After 12 Months from the date of grant : 30 % of the options granted
- After 24 Months from the date of grant : 35 % of the options granted
- After 36 Months from the date of grant : 35 % of the options granted

The Exercise period shall not be more than 3 (Three) years from the date of respective vesting of Options. The options granted may be exercised by the Grantee at one time or at various points of time within the exercise period as determined by the Committee from time to time.

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The fair value of the options and the inputs used in the measurement of fair value as on the grant date are as follows:

Particulars	29 April 2022	1 July 2023	5 February 2024	5 February 2024	5 February 2024	5 February 2024	13 February 2026	13 February 2026	13 February 2026
Grant date									
Fair value at grant date(₹)	16.36	31.03	46.43	43.94	42.52	40.28	69.37	68.33	67.82
Share price at grant date(₹)	41	63.20	80.90	80.90	80.90	80.90	122.75	122.75	122.75
Exercise price(₹)	42	51	51	56	59	64	77	79	80
Expected Life (expected weighted average life)	3.55	3.55	3.55	3.55	3.55	3.55	3.55	3.55	3.55
Expected dividend yield (%)	0	0	0	0	0	0	0	0	0
Expected volatility	45%	45%	45%	45%	45%	45%	45%	45%	45%
Risk free interest rate (based on zero-yield curve for Government Securities)	6.48%	7.19%	7.19%	7.19%	7.19%	7.19%	6.29%	6.29%	6.29%

Particulars	13 February 2026	13 February 2026	13 February 2026	13 February 2026	13 February 2026	13 February 2026	13 February 2026	13 February 2026	13 February 2026
Grant date									
Fair value at grant date(₹)	67.32	66.32	62.96	62.04	61.59	60.69	56.02	53.66	51.79
Share price at grant date(₹)	122.75	122.75	122.75	122.75	122.75	122.75	122.75	122.75	122.75
Exercise price(₹)	81	83	90	92	93	95	106	112	117
Expected Life (expected weighted average life)	3.55	3.55	3.55	3.55	3.55	3.55	3.55	3.55	3.55
Expected dividend yield (%)	0	0	0	0	0	0	0	0	0
Expected volatility	45%	45%	45%	45%	45%	45%	45%	45%	45%
Risk free interest rate (based on zero-yield curve for Government Securities)	6.29%	6.29%	6.29%	6.29%	6.29%	6.29%	6.29%	6.29%	6.29%

Reconciliation of outstanding share options:

Particulars	As at 31 March 2026	As at 31 March 2025
Number of Options Outstanding at the beginning of the year	23,61,899	2,861,363
Number of Options granted during the year	2,89,392	-
Number of Options forfeited/lapsed during the year	74,741	68,017
Number of Options exercised during the year	13,37,170	4,31,447
Number of Options outstanding at the end of the year	12,39,380	23,61,899
Number of Options exercisable at the end of the year	5,50,071	8,50,229

Expense arising from share based payment transactions:

Total expenses arising from share-based payment transactions recognised in Statement of Profit and Loss as part of employee benefit expense are as follows:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Expenses on Employees Stock Options Scheme	89.08	236.5

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Note 43

- a) The Company, has not entered into any transactions with struck off companies, during the year ended 31 March 2026 (previous year ended 31 March 2025).
- b) 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 directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries. The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 44(a) : Business combination

The Scheme of Arrangement between Paradeep Phosphates Limited ("the Company" or "the Transferee Company"), Mangalore Chemicals and Fertilizers Limited ("MCFL" or "the Transferor Company") and their respective shareholders and creditors has been approved by the Bangalore bench and Cuttack bench of the National Company Law Tribunal ("the NCLT") on 24 September 2025 and 26 September 2025 respectively for a consideration of ₹ 170,649.96 discharged by issue of 221,623,331 shares. The appointed date of the scheme is 1 April 2024 which has been considered as the acquisition date. MCFL is engaged in the business of manufacture and sale of urea, complex fertilisers and other allied products. As per the acquisition method prescribed in Ind AS 103, purchase consideration has been allocated on a provisional basis, pending determination of the fair value of the acquired assets and liabilities. The purchase price allocation is expected to be completed within one year from the date of acquisition.

- (i) **Provisional fair value of identifiable assets acquired and liabilities assumed as on the date of acquisition is as below:-**

Particulars	As at 31 March 2025
ASSETS	
I. Non-current assets	
(a) Property, plant and equipment	1,76,854.73
(b) Right-of-use assets	1,543.94
(c) Capital work-in-progress	1,117.25
(d) Intangible assets	5,754.18
(e) Other income tax assets	99.75
(f) Financial assets	588.74
(g) Other non-current assets	2,521.62
Total non-current assets	1,88,480.21
II. Current assets	
(a) Inventories	17,068.59
(b) Financial assets	
(i) Investments	0.10
(ii) Trade receivables	57,055.89
(iii) Cash and cash equivalents	27,942.94
(iv) Bank balances other than (iii) above	4,886.42
(v) Other financial assets	5,480.99
(c) Other current assets	14,894.71
Total current assets	1,27,329.64
Total assets A (I+II)	3,15,809.85
Liabilities	
(1) Non-current liabilities	
(a) Financial liabilities	
(i) Borrowings	29,880.96
(ii) Lease Liabilities	1,862.23
(b) Provisions	1,272.19
(c) Deferred tax liabilities (net)	14,584.88
Total non-current liabilities	47,600.26
(II) Current liabilities	

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

Particulars	As at 31 March 2025
(a) Financial liabilities	
(i) Borrowings	72,063.77
(ii) Lease Liabilities	55.32
(iii) Trade payables	14,917.39
(iv) Other financial liabilities	15,153.08
(b) Other current liabilities	752.42
(c) Provisions	1,627.44
(d) Current tax liabilities	1,093.42
Total current liabilities	1,05,662.84
Total liabilities B (I+II)	1,53,263.10
Total fair value of net assets acquired C (A-B)	1,62,546.75
Closing Consideration D	1,70,649.96
Goodwill (D-C)	8,103.21

Note 44(a) : Business combination

- (ii) Acquisition related costs amounting to ₹ 2,500.00 as stamp duty have been recognized on provisional basis under rates and taxes in the Consolidated Statement of Profit and Loss for the year ended 31 March 2025 within Other expenses.
- (iii) The goodwill recognized is attributable to expected synergies from combining operations of the Company and acquired business and would not be deductible for tax purposes.
- (iv) In relation to property, plant and equipment acquired through business combination fair valuation was determined based on the valuation model which considered market prices for similar items and depreciated replacement cost, as appropriate. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence.
- (v) Contingent liabilities was recognized on acquisition, the details of which are as under:-

Particulars	As at 1 st April 2024
Income tax	358.04
Customs duty demand	409.03
Excise duty	638.96
Service tax	15.49
Others	3.50

As at 31st March 2026, there has been no change in the amount recognized as contingent liabilities on 1 April 2024, as there has been no change in the probability of the outcome of the cases as noted above

Note 44(b): Impairment of goodwill

Key Assumptions	As at 31 March 2026	As at 31 March 2025
Annual growth rate for next 5 years	0.56% to 0.71%	3% to 7%
Terminal growth rate	3%	5%
Weighted average cost of capital after tax %	11.73%	12.97%

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts are in rupees lakhs, unless otherwise stated)

The projections cover a period of five years, as the Company believes this to be the most appropriate time period over which to review and consider annual performances and thereafter fixed terminal value has been considered. Terminal growth rate considered is in line with the GDP growth rate. The cashflows considered was based on expectation of future outcomes taking into account past experience, adjusted for anticipated revenue growth.

Weighted Average Cost of Capital % (WACC) = Risk free return + (Market risk premium x Beta for the Company)

The goodwill is tested for impairment annually and based on such testing, no provision towards impairment has been considered necessary in each of the year presented.

Note 45: On 30 September 2025, Mangalore Chemicals and Fertilizers Limited (merged with the Company) completed the acquisition of a part of business of Zuari Agro Chemicals Limited ("ZACL") including its granulated single super phosphate plant situated at Mahad, Maharashtra and certain related assets on slump sale basis. The fair value of assets and liabilities acquired have been accounted for in accordance with Ind AS 103 'Business Combinations' and a resultant goodwill of ₹2.24 crores has been recognised.

Note 46: On November 21, 2025, the Government of India notified four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 consolidating 29 hitherto existing labour laws. The Ministry of Labour & Employment published draft Rules and FAQs to enable assessment of the financial impact due to these changes in regulations. The management has assessed and disclosed the incremental impact of these changes as an "Exceptional item" in these financial statements for the year ended March 31, 2026. The management will continue to track and evaluate the impact of the rules notified by the Central/State Government post 31 March 2026 and consider the appropriate accounting effect in the relevant periods, as needed.

Note 47: The Consolidated Financial Statements were approved for issue by the Board of directors on 11 May 2026.

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

Jayanta Mukhopadhyay

Partner

Membership No: 055757

Place: Bengaluru

Date:- 11 May 2026

For and on behalf of the Board of Directors of

Paradeep Phosphates Limited

CIN: L20122OR1981PLC001020

N. Suresh Krishnan

Managing Director

DIN: 00021965

Place: Bengaluru

Date:- 11 May 2026

Sachin Patil

Company Secretary

Place: Bengaluru

Date:- 11 May 2026

S.K. Poddar

Chairman

DIN: 00008654

Place: Bengaluru

Date:- 11 May 2026

Bijoy Kumar Biswal

Chief Financial Officer

Place: Bengaluru

Date:- 11 May 2026

NOTICE OF ANNUAL GENERAL MEETING

To
The Members,

NOTICE is hereby given that the Forty Fourth (44th) Annual General Meeting ("AGM") of the Members of Paradeep Phosphates Limited ("the Company") will be held on **Thursday, September 17, 2026, at 3:00 PM (IST)**, through Video Conference ("VC") / Other Audio Visual Means ("OAVM") (hereinafter referred to as "electronic mode") to transact the following business:

Ordinary Business:

1. To receive, consider and adopt
 - (a) The Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2026 and the Reports of the Board of Directors and Auditors thereon; and
 - (b) The Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2026 and the Report of the Auditors thereon.
2. To declare dividend on the equity shares for the financial year 2025-26.
3. To re-appoint Mr. Saroj Kumar Poddar (DIN: 00008654) who retires by rotation and being eligible, offers himself for re-appointment.

Special Business:

4. Continuation of Mr. Saroj Kumar Poddar (DIN: 00008654) as a Non-Executive, Non-Independent Director and Chairman of the Company

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

"RESOLVED THAT pursuant to the applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, as amended from time to time and the Articles of Association of the Company (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Members of the Company be and is hereby accorded for continuation of Mr. Saroj Kumar Poddar (DIN: 00008654) as Non-Executive, Non-Independent Director and Chairman of the Company, beyond the age of 75 years, liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters, and things as may be considered necessary or desirable to give effect to this resolution in this regard."

5. Ratification of payment of remuneration to Cost Auditor for the Financial Year 2026-27

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration payable to M/s. S. S. Sonthalia & Co., Cost Accountant in practice, appointed by the Board of Directors of the Company as Cost Auditor to conduct the audit of the cost records of the Company for the Financial Year 2026-27, being ₹5,00,000 (Rupees Five Lakh only) plus applicable taxes and out of pocket expenses incurred by them in connection with the aforesaid audit, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors is authorized to take all such steps as may be necessary, proper or expedient to give effect to the aforesaid resolution."

6. Approval of Material Related Party Transaction(s) with related parties

To consider and if thought fit, to pass the following Resolution, as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 ("the Act") read with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force, if any), and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") as amended from time to time and pursuant to the approval of the Audit Committee and Board of Directors, the Members of the Company do hereby accord approval to the Company for entering into and/or carrying out and/or continuing with existing contracts/arrangements/transactions (whether individual transaction or transaction(s) taken together or series of transaction(s) and otherwise), with OCP SA, Indo Maroc Phosphates S.A and Phosphates De Boucraa S.A, being related parties of the Company, whether by way of continuation(s) or renewal(s) or extension(s) or modification(s) of earlier/arrangements/ transactions or as fresh and independent transaction(s) or otherwise during the financial year 2026-2027, as per the details set out in the explanatory statement annexed to this notice, provided however, that, the said contract(s)/ arrangement(s)/transaction(s) shall be carried out at an arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to execute all such agreements, documents,

instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contracts/arrangements/ transactions, settle all questions, difficulties or doubts that may arise in this regard, as they may in their sole and absolute discretion deem fit, file requisite form if any with the regulatory authorities and to do all such acts, deeds, matters and things as may be considered necessary and appropriate and to delegate all or any of its powers herein conferred to any authorised person(s) to give effect to this resolution."

7. Payment of remuneration to Directors other than Executive Directors

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

"RESOLVED THAT pursuant to the provisions of Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modification(s) or re-enactment thereof for the time being in force, Regulation 17(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the approval of the members be and is hereby accorded for payment of remuneration to Directors (whether existing or future) other than the Executive Directors, collectively up to 1% of the net profits computed in the manner referred to in Section 198 of the Companies Act, 2013, for each financial year over a period of three (3) financial years commencing from FY 2025-26, subject to Company achieving profits for respective financial years, in such proportion / manner as may be determined by the Board of Directors of the Company and subject to a maximum of ₹ 10,00,000 per annum per Director, payable at such periodicity as the Board may deem fit and for the period less than a year in any financial year, the amount shall be prorated.

RESOLVED FURTHER THAT such remuneration to be paid to its Directors (whether existing or future) other than the Executive Directors will be in addition to the payment of sitting fees and reimbursement of expenses, if any, to the Directors for attending the meetings of the Board of Directors or Committees thereof.

RESOLVED FURTHER THAT the Board of Directors, and/or the Nomination and Remuneration Committee of the Board, be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard."

8. Approval of 'Paradeep Phosphates Limited Performance Stock Option Plan 2026' ("PSOP 2026")

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

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) of the Companies Act, 2013 ("the Act") and the Companies (Share Capital and Debentures) Rules, 2014 (the "Companies SCD Rules") and other applicable

provisions, if any, of the Act, including any statutory modification(s) or re-enactment of the Act for the time being in force and in accordance with the provisions of the Memorandum of Association and Articles of Association of the Company and the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 including any modifications thereof or supplements thereto ("the SEBI SBEB and Sweat Equity Regulations"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI LODR Regulations"), the Listing Agreement entered into with the Stock Exchanges where the securities of the Company are listed and any other applicable laws for the time being in force and subject to such other consents, permissions, sanctions and approvals which may be agreed by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall include the Nomination and Remuneration Committee ("Committee") constituted by the Board and which has been authorized by the Board to exercise certain powers conferred on the Board, including the powers conferred by this resolution) consent of the shareholders be and is hereby accorded to introduce and implement the 'Paradeep Phosphates Limited Performance Stock Option Plan 2026' ("PSOP 2026"), the salient features of which are detailed in the explanatory statement to this notice and to create, grant, offer, issue and allot at any time in one or more tranches to or for the benefit of Employees and Directors and such other persons as may from time to time be allowed to be for the benefit under the provisions of applicable laws and Regulations prevailing from time to time (hereinafter collectively referred to as "Employee(s)") selected on the basis of criteria decided by Board under the PSOP 2026, comprising of PART A covering employees identified based on the roles having high impact and potential to take the organization to next level/ phase of growth including Board level employees and PART B covering only Board Level employees, with the aggregate number of Options under PART A and PART B not exceeding 20,00,000 (Twenty lakhs Only) performance Stock Options, exercisable into not more than 20,00,000 (Twenty lakhs Only) Equity Shares of face value of ₹ 10/- (Rupees Ten) each fully paid-up, in one or more tranches, where each such option would convert into one equity share upon exercise, on such terms and in such manner as the Board may decide, in accordance with the provisions of the applicable laws and the PSOP 2026.

RESOLVED FURTHER THAT the PSOP 2026 may also envisage provisions for providing financial assistance to the Employees to enable them to acquire, purchase or subscribe to the said securities of the Company in accordance with the provisions of the Act/ SEBI (SBEB and Sweat Equity) Regulations.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot equity shares directly to the Employees upon exercise of Options from time to time in accordance with the PSOP 2026 and such equity shares shall rank pari-passu in all respects with the then existing equity shares of the Company.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger, buy-back, scheme of arrangement and sale of division or other re-organisation of capital structure of the Company, as applicable from time to time, if any additional equity shares are issued by the Company for the purpose of making a fair and reasonable adjustment to the Options granted earlier, the above ceiling shall be deemed to be increased to the extent of such additional equity shares issued, and such increase shall not require a separate or special resolution of shareholders.

RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of Equity shares to be issued and allotted on exercise of Options granted under the PSOP 2026 and the exercise price of Options granted under the PSOP 2026 shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of ₹ 10/- (Rupees Ten) per equity share bears to their revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the Employees who have been granted Options under the PSOP 2026.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the Companies Act, SEBI (SBEB and Sweat Equity) Regulations and any other applicable laws and regulations to the extent relevant and applicable to the PSOP 2026.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the Board is authorized to formulate, evolve, decide upon and implement the PSOP 2026, determine the detailed terms and conditions of the aforementioned PSOP 2026 including but not limited to the quantum of the Options to be granted per Employee, the number of Options to be granted in each tranche, the terms or combination of terms subject to which the said Options are to be granted, the exercise period, the vesting period, the vesting conditions, instances where such Options shall lapse and to grant such number of Options, to such Employees of the Company, at price, at such time and on such terms and conditions as set out in the PSOP 2026 and as the Board may in its absolute discretion think fit.

RESOLVED FURTHER THAT the Nomination and Remuneration Committee be designated as the Committee in accordance with Regulation 5(1) of the SEBI (SBEB and Sweat Equity) Regulations for the purposes of administration of PSOP 2026.

RESOLVED FURTHER THAT the Board is hereby authorised to make any modifications, changes, variations, alterations or revisions in the PSOP 2026 as it may deem fit, from time to time or to suspend, withdraw or revive PSOP 2026 from time to time, in conformity with applicable laws, provided such variations, modifications, alterations or revisions are not detrimental to the interests of the Employees.

RESOLVED FURTHER THAT the Board shall take necessary steps for listing the Equity Shares allotted under the PSOP 2026 on the Stock Exchanges, where the securities of the Company are listed in accordance with the provisions of the SEBI (SBEB and Sweat Equity) Regulations, the SEBI LODR Regulations and other applicable laws and regulations and the amendments thereof.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper and to settle all questions, difficulties or doubts that may arise in relation to formulation and implementation of the PSOP 2026 at any stage including at the time of listing of the equity shares issued herein without requiring the Board to secure any further consent or approval of the members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any powers conferred herein to Compensation /Nomination and Remuneration Committee or such other committees as constituted from time to time, with power to sub-delegate to any executives/officers of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings etc., as may be necessary in this regard."

By Order of the Board of Directors

Sachin Patil

Company Secretary

Membership No. A31286

Date: July 28, 2026

Registered Office: 5th Floor, OSHWC Building,
Pandit J N Marg, Bhubaneswar – 751 001

NOTES:

1. Explanatory Statement

The related Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") in respect of Item Nos. 4, 5, 6, 7 & 8 is annexed hereto. Additional information, pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and in terms of Secretarial Standard on General Meetings ('SS-2') issued by The Institute of Company Secretaries of India, in respect of the Director seeking re-appointment at the AGM, are provided as Annexure-A to the notice.

2. Conducting of Annual General Meeting (AGM), Dispatch of AGM Notice and Annual Report through electronic mode

2.1 The Ministry of Corporate Affairs ("MCA") vide its General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, read with other related circulars including latest being General Circular No. 03/2025 dated September 22, 2025 ("MCA Circulars"), permitted the holding of AGM through Video Conferencing/Other Audio Visual Means ("VC/OAVM") facility without the physical presence of the Members at a common venue. In compliance with the MCA Circulars read with the provisions of the Act and the SEBI Listing Regulations, 44th AGM of the Company is being convened and conducted through VC/OAVM facility. The venue of AGM shall be deemed to be the Registered Office of the Company

2.2 In pursuance of the MCA Circulars and SEBI Master Circular No. HO/49/14/14(7)2025- CFD-POD2/I/3762/2026 dated January 30, 2026, the Notice of the 44th Annual General Meeting along with the Annual Report for the financial year 2025-26 is being sent only by electronic mode to those Members whose email addresses are registered with the Company or Registrar and Share Transfer Agent (RTA) or the Depositories / Depository Participants. Further, in compliance with Regulation 36(1)(b) of the SEBI Listing Regulations, a letter providing the web-link for accessing the Annual Report, including the exact path, is being sent to those members who have not registered their e-mail address with the Company or Registrar and Share Transfer Agent (RTA) or the Depositories / Depository Participants. Member may note that the Notice calling the AGM and Annual Report for the financial year 2025-26 has been uploaded on the website of the Company at www.paradeepphosphates.com. The Notice and Annual Report for the financial year 2025-26 can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at <https://www.paradeepphosphates.com/investors/financial-details#financial-annual> respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) at www.evotingindia.com.

2.3 Members attending the meeting through VC/OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act.

2.4 Since this AGM is being held through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circulars, (a) Members will not be able to appoint proxies for the meeting and (b) Attendance Slip and Route Map are not annexed in this Notice.

2.5 The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

2.6 In pursuance of Sections 112 and 113 of the Act, representatives of the members may be appointed for the purpose of voting through remote e-Voting and participation and voting in the AGM. Corporate shareholders/institutional shareholders intending to send their authorised representative(s) to attend and vote at the 44th AGM are requested to send from their registered e-mail address, the scan copy of the relevant Board Resolution/ Authority Letter, etc. authorising their representative(s) to vote, to the Scrutiniser on his e-mail ID at cs.sbhat@gmail.com with a copy marked to cs.ppl@adventz.com.

2.7. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 will be available electronically for inspection by the Members through the login credentials for attending the meeting during the time of AGM. The relevant documents referred to in the Notice will be available for inspection electronically up to the date of AGM at the above mentioned link.- <https://www.paradeepphosphates.com/investors/corporategovernance/agm/egmpostal-ballot>

3. E-voting

- Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations (as amended), the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with CDSL for facilitating voting through electronic means, as the authorised e-voting's agency.

- The remote e-Voting period shall commence at **10.00 A.M. Indian Standard Time ("IST") on Monday, September 14, 2026, and end at 05.00 P.M. IST on Wednesday, September 16, 2026.** At the end of the remote e-Voting period, the remote e-Voting facility shall be blocked by CDSL forthwith. The remote e-Voting shall not be allowed after 05.00 P.M. IST on Wednesday, September 16, 2026.
- The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL. Members shall have the option to vote either through remote e-voting or voting through electronic means at the AGM.
- Members whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the 'Cut-off date', i.e. September 10, 2026 shall be entitled to avail the facility of remote e-voting or e-voting at the AGM, as the case may be.
- Any person who becomes a Member of the Company after dispatch of the Notice of 44th AGM and holds equity shares as on the 'Cut-off date' may also follow the procedure as outlined in **Annexure-2** to this Notice. Any person who is not a Member as on the 'Cut-off date' should treat this Notice for information purpose only.
- Voting rights of members shall be reckoned on the paid-up value of equity shares registered in their name as on the 'Cut-off date' i.e. September 10, 2026 .
- In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.

4. Information regarding Scrutinizer and declaration of voting results:

- Mr. Shivaram Bhat, Practicing Company Secretary (Membership No. ACS 10454) has been appointed by the Board of Directors of the Company as the Scrutiniser for scrutinising the remote e-voting process as well as voting during the meeting, in a fair and transparent manner.
- The Scrutiniser shall immediately after conclusion of the AGM, shall count votes casted on the day of the meeting, thereafter unblock the votes cast through remote e-voting.
- The Scrutiniser will submit, within two working days of conclusion of the AGM, a consolidated scrutiniser's report, of the total votes cast in favour or against, if any, to the Chairman of AGM or any other Director or Company Secretary authorised by the Chairman

of the AGM in writing who will countersign the same and declare the result of the voting forthwith, which shall be displayed on the Notice Board of the Company at its Registered Office. The result will also be displayed on the website of the Company at www.paradeepphosphates.com, besides being communicated to Stock Exchanges.

- Subject to receipt of requisite number of votes, the resolutions proposed in this Notice shall be deemed to have been passed on the date of the AGM i.e. September 17, 2026.

5. Payment of Dividend

The Board of Directors, at its meeting held on May 11, 2026, has recommended payment of final dividend of ₹1.50 per equity share of ₹ 10 each of the Company (i.e. @ 15%), for the Financial Year ended March 31, 2026. The final dividend on equity shares for the Financial Year ended March 31, 2026, if declared at the AGM, will be paid subject to deduction of tax at source. Please refer **Annexure-1** to this Notice for detailed information in respect of deduction of tax at source (TDS) on the Dividend for the Financial Year ended March 31, 2026.

6. Record Date

Members may please note that **Friday, September 04, 2026** has been fixed as the Record Date for determining the eligibility for payment of final dividend on equity shares, if declared at the AGM.

7. Unclaimed Dividend

The Company has uploaded the details of unpaid and unclaimed amount lying with the Company as on March 31, 2025 on the website of the Company at <https://paradeepphosphates.com/investors/corporate-governance>. The unclaimed dividend pertaining to the Financial Year 2018-19 declared by erstwhile Mangalore Chemicals & Fertilizers Limited (MCFL) (now merged with the Company w.e.f. 16.10.2025) is due for transfer to the Investor Education and Protection Fund and the same can be claimed from the Company on or before the due date.

Following are the details of dividends declared and respective due dates for transfer of unclaimed dividend to IEPF.

Declared by the Company

Dividend year	Date of declaration of dividend	Due date for transfer to IEPF
31/03/2023	26/09/2023	29/10/2030
31/03/2024	25/09/2024	30/10/2031
31/03/2025	12/09/2025	13/11/2032

Declared by the Mangalore Chemicals & Fertilizers Limited (MCFL) (now merged with the Company):

Dividend year	Date of declaration of dividend	Due date for transfer to IEPF
31/03/2019	27/08/2019	29/09/2026
31/03/2020	15/09/2020	15/10/2027
31/03/2021	16/09/2021	21/10/2028
31/03/2022	13/09/2022	17/10/2029
31/03/2023	26/09/2023	29/10/2030
31/03/2024	26/09/2024	28/10/2031
31/03/2025	21/08/2025	21/09/2032

Members who have neither received nor encashed their dividend warrant(s) in respect of the previous years, are requested to make a request letter to the Company/RTA, mentioning the relevant Folio number, or DP ID and Client ID, to the Company on e-mail ID cs.ppl@adventz.com or to the Company's RTA on e-mail ID investor.helpdesk@in.mpms.mufig.com or by post to RTA's address at MUFG Intime India Private Limited, C-101, Embassy 247, L.B.S. Marg, Vikhroli West, Mumbai - 400 083, Maharashtra, India.

As and when the amount is due, it will be transferred by the Company to Investor Education and Protection Fund. No claim thereof shall lie against the Company after such transfer.

8. Transfer of shares to IEPF

Pursuant to the provisions of Section 124(5) and 125 of the Companies Act, 2013, the dividend amount remaining unclaimed/unpaid for a period of seven years from the due date of payment shall be transferred to the Investor Education and Protection Fund (IEPF) established by Central Government. Pursuant to the provisions of Section 124(6) and Section 125 of the Companies Act, 2013 read with Rule 6 of the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to the IEPF within 30 days of they becoming due to be transferred.

The members who have a claim on the above dividends and/or shares may claim the same from the IEPF Authority by submitting an online application in web Form No. IEPF-5 which is available on the website of MCA Authority at www.mca.gov.in and by sending a physical copy of the same, duly signed by them to the Company, along with requisite documents enumerated in the Form IEPF-5.

9. Updation of details of shareholders

- On and from April 1, 2019, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form. In addition to that, as per the Master Circular for Registrars to an Issue and Share Transfer

Agents ("RTAs") dated June 23, 2025, it has been mandated that listed companies shall henceforth issue the securities in dematerialized form only while processing the service requests for (a) issue of duplicate securities certificate; (b) claim from Unclaimed Suspense Account; (c) renewal/exchange of securities certificate; (d) endorsement; (e) sub-division/splitting of securities certificate; (f) consolidation of securities certificates/folios; (g) transmission and (h) transposition.

- Further, in addition to that, as per SEBI Circular dated January 30, 2026, our RTA shall initiate the demat conversion request in the depository system for direct credit of securities in the demat account of the security holder/claimant with effect from April 02, 2026, doing away with requirement of issuance of Letter of Confirmation.
- Pursuant to the Composite Scheme of Arrangement amongst Mangalore Chemicals & Fertilizers Limited ("MCFL"), the Company and their respective shareholders and creditors, which became effective on October 16, 2025, the Company, on December 3, 2025, issued and allotted equity shares of the Company to the eligible shareholders of MCFL whose names appeared in the Register of Members/Beneficial Owners as on the Record Date, i.e., October 31, 2025, in dematerialised form. In respect of shareholders holding MCFL shares in physical form, the corresponding equity shares of the Company were credited to a separate PPL Merger Trust Account opened for this purpose. The said shares will be transferred to the demat accounts of the respective shareholders upon completion of the requisite formalities. The respective shareholders are requested to submit to the Company or its Registrar and Transfer Agent ("RTA") the duly filled-in and signed Schedule Form-1/Form-2, as applicable, along with the requisite documents specified therein. The said forms are available on the Company's website at <https://paradeepphosphates.com/investors/kyc-compliance>
- In accordance with the SEBI Master Circular, it is mandatory for all holders of physical shares in the Company to furnish PAN, Nomination, Contact details (Postal Address with PIN and Mobile Number), Bank account details and specimen signatures for their corresponding folio numbers of physical securities. The concerned members holding shares of the Company in physical form, are required to submit forms duly completed in all respects, to the Company or RTA for registration/updation of their details. A copy of such forms can be downloaded from the website of the Company at <https://paradeepphosphates.com/investors/kyc-compliance> or from the website of our RTA at <https://web.in.mpms.mufig.com/KYC-downloads.html>. Members holding shares in demat

mode may register/update their email address and/or bank account details through their DP.

The shareholders who are holding the shares in physical mode may note that, the dividend declared at the AGM will be paid only through electronic mode. In case any of the aforesaid documents/details are not submitted/updated, the dividend declared by the Company will not be paid until such shareholder furnish the aforesaid KYC details/documents. Upon updation of the KYC, the dividend will be remitted directly to the bank account of such shareholder.

- Pursuant to the provisions of Section 72 of the Companies Act, 2013, members can avail facility for nomination in respect of the shares held by them. Members holding shares in electronic form may contact their respective Depository Participant for availing this facility.
- SEBI, vide Circular No. HO/38/13/11(2)2026-MIRSD-POD/1/3750/2026 dated January 30, 2026, has opened a special window to facilitate re-lodgement of

transfer and dematerialisation of physical securities. The window will remain open for a period of one year, i.e., from February 05, 2026 to February 04, 2027.

This special facility will be available for transfer the shares that were sold or purchased prior to 1st April, 2019. Additionally, the facility extends to transfer requests that were submitted earlier but were rejected, returned, or not attended to due to deficiencies in documents, process issues, or for any other reason.

Eligible shareholders who wish to avail the opportunity are requested to submit the requisite documents to MUFG Intime India Private Limited (Formerly Link Intime India Private Limited) Registrar and Share Transfer Agent, Unit: Paradeep Phosphates Limited, C-101, Embassy 247, L B S Marg, Vikhroli West, Mumbai – 400 083.

Investors are informed that the securities re-lodged for transfer pursuant to the above circular, shall only be issued in demat form. In case of any queries, shareholders are requested to raise a service request at investor.helpdesk@in.mpms.mufig.com.

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

Item No. 4: Continuation of Mr. Saroj Kumar Poddar (DIN: 00008654) as Non-Executive, Non-Independent Director and Chairman of the Company

In terms of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, with effect from April 1, 2019, no listed Company shall appoint or continue the appointment of a Non-Executive director, who has attained the age of 75 years, unless a special resolution is passed to that effect.

The members of the Company vide special resolution passed at the Extra ordinary General Meeting held on 10th August, 2021 had approved continuation of Directorship of Mr. Saroj Kumar Poddar (DIN: 00008654) as a Non-Executive, Non-Independent Director-Chairman of the Company on attaining the age of 75 years.

Mr. Saroj Kumar Poddar is liable to retire by rotation in accordance with the provisions of the Companies Act, 2013 and, being eligible, has offered himself for re-appointment. In view of his extensive experience as an Industrialist, deep understanding of the fertiliser and agriculture sector, strategic vision and long-standing association with the Company, the Board considers his continued association to be in the best interest of the Company.

Under his leadership and guidance, the Company has strengthened its position as a leading player in the fertiliser sector and has witnessed significant growth in its scale of operations, manufacturing capabilities and financial performance. The Company has expanded and integrated its manufacturing footprint, including the successful integration of Mangalore Chemicals & Fertilizers Limited, strengthened its production and operational capabilities, undertaken capacity expansion and energy-efficiency initiatives, and continued to focus on sustainable and technology-driven growth.

Mr. Poddar brings to the Board considerable institutional knowledge and a strategic perspective developed through his long and distinguished association with the Company and the broader fertiliser and agricultural sector. His guidance has been valuable in navigating the evolving business environment, strengthening stakeholder confidence and pursuing the Company's long-term growth objectives. His continued leadership is expected to provide stability, continuity and strategic direction to the Company as it undertakes its ongoing expansion and growth initiatives.

Mr. Saroj Kumar Poddar possesses the requisite integrity, experience, expertise and leadership capabilities to continue to effectively discharge the responsibilities entrusted to him. The Board is confident that his continued association as Chairman will be of immense benefit to the Company and its stakeholders.

Mr. Saroj Kumar Poddar is not disqualified from being appointed or continuing as a Director under Section 164 of the Companies Act, 2013. The Board, based on the recommendation of the Nomination and Remuneration Committee, is of the view that his continued appointment beyond the age of 75 years as

Non-Executive, Non-Independent Director and Chairman is desirable and in the best interests of the Company.

The relevant details, pursuant LODR Regulations and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India, in respect of Mr. Saroj Kumar Poddar is annexed hereto as Annexure A, and forms a part of this Notice.

Accordingly, the Board recommends the resolution set out in Item No. 4 of the accompanying Notice for approval of the members by way of a **Special Resolution**.

Except Mr. Saroj Kumar Poddar- Chairman and Mr. Akshay Poddar- Vice Chairman and their relatives, none of the other Directors, Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

Item No. 5 : Ratification of payment of Remuneration to Cost Auditor for the financial year 2026-27

The Board, on the recommendation of the Audit Committee, has approved the re-appointment and remuneration of M/s. S. S. Sonthalia & Co., Cost Accountant in practice as the Cost Auditor to conduct the audit of the Cost Accounts of the Company for the Financial Year 2026-27 at a remuneration of ₹ 5,00,000 (Rupees Five Lakh only) plus applicable taxes and out of pocket expenses incurred by them in connection with the aforesaid audit.

In terms of provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial Year 2026-27.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise in this matter except to the extent of their shareholding in the Company.

Item No. 6: Approval of Material Related Party Transaction(s) (RPT) with related parties

The provisions of the SEBI Listing Regulations, as amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective 1st April 2022, mandates prior approval of Members by means of a resolution for all material related party transactions, even if such transactions are in the ordinary course of business of the concerned Company and at an arm's length basis.

As per SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2025 read with Schedule XII

of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (SEBI Listing Regulations), where the annual consolidated turnover of the listed entity, as per its last audited financial statements, is above ₹ 20,000 Crore, a transaction with a related party shall be considered material if the transaction(s), individually or taken together with previous transaction(s) during a financial year, exceed ₹2,000 crores + 5% of the turnover exceeding ₹20,000 crore. For the Financial Year ended March 31, 2026, the consolidated turnover of the Company was ₹21,826.34 crore. Accordingly, the applicable materiality threshold for the Company under the SEBI Listing Regulations is ₹2,091.32 crore.

During the Financial Year 2026-27, the transactions proposed to be entered into with OCP S.A., Indo Maroc Phosphates S.A. and Phosphates De Boucraa S.A., being related parties of the Company, are expected to exceed the applicable materiality threshold specified above. The Audit Committee has approved the proposed transactions and noted that they are in the ordinary course of business and are proposed to be entered into on an arm's length basis. Accordingly, in terms of the SEBI Listing Regulations, prior approval of the Members is being

sought by way of an Ordinary Resolution, as set out at Item No. 6 of the Notice

The Audit Committee has also reviewed and taken note of the certificate provided by the Managing Director and the Chief Financial Officer of the Company, as required under the applicable Industry Standards, confirming that the proposed material related party transactions are in the interest of the Company.

The Company expects that the value of the transactions with each of the aforesaid related parties, for which approval is being sought, will not exceed the applicable materiality threshold for the period commencing from April 1, 2026, until the date on which approval of the Members is obtained.

The relevant details of the material RPTs between the Company and Indo Maroc Phosphates S.A, OCP SA and Phosphates De Boucraa S.A, as required under the SEBI Listing Regulations and applicable SEBI circulars on Industry Standards for "Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions" ("Industry Standards"), are as set out below:

A(1). Basic details of the related party

S. No.	Particulars of the information	Information provided by the management
1.	Name of the related party	(i) Indo Maroc Phosphates S.A. (ii) OCP S.A. (iii) Phosphates De Boucraa S.A.
2.	Country of incorporation of the related party	All companies are incorporated in Morocco
3.	Nature of business of the related party	(i) Indo Maroc Phosphates S.A. Specializes in the manufacture of phosphoric acid, a key raw material for producing di-ammonium phosphate (DAP) and other phosphate-based fertilizers (ii) OCP S.A. OCP's operations encompass mining, processing, and trading of phosphate-based products, serving agricultural and industrial sectors worldwide. (iii) Phosphates De Boucraa S.A. Mines, processes and markets phosphate rock.

A(2). Relationship and ownership of the related party

S. No.	Particulars of the information	Information provided by the management
1.	Relationship between the listed entity/ subsidiary (in case of transaction involving the subsidiary) and the related party – including nature of its concern (financial or otherwise) and the following: - Shareholding of the listed entity/ subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party. - Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary). - Shareholding of the related party, whether direct or indirect, in the listed entity/ subsidiary (in case of transaction involving the subsidiary).	Indo Maroc Phosphates S.A. Promoter Group Entity of Holding Co. OCP S.A. Promoter of Holding Co. Phosphates De Boucraa S.A. Affiliate of Promoter Group of Holding Co. Nil None The OCP SA hold 50% in the Zuari Maroc Phosphates Private Limited which is the Holding Company of PPL.

A(3). Details of previous transactions with the related party

S. No.	Particulars of the information	Information provided by the management																											
1.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year.	<table> <tr> <th>Name of the party</th><th>Nature of Transactions</th><th>FY 2025-26 (₹ in Lakhs)</th></tr> <tr> <td>Indo Maroc Phosphates S.A.</td><td>a) Purchase of raw materials (Phosphoric acid)</td><td>254,126.83</td></tr> <tr> <td></td><td>b) Other expenses (Demurrage Expenses)</td><td>169.28</td></tr> <tr> <td></td><td>c) Other Income-Excess Liability written back</td><td>32.03</td></tr> <tr> <td>OCP S.A.</td><td>a) Purchase of raw materials (Rock phosphate)</td><td>70,356.89</td></tr> <tr> <td></td><td>b) Purchase of raw materials (Phosphoric acid)</td><td>10,592.80</td></tr> <tr> <td></td><td>c) Other expenses (Demurrage Expenses)</td><td>7.23</td></tr> <tr> <td>Phosphates De Boucraa S.A.</td><td>a) Purchase of raw materials (Rock phosphates)</td><td>208,743.67</td></tr> <tr> <td></td><td>b) Other expenses (Demurrage Expenses)</td><td>170.63</td></tr> </table>	Name of the party	Nature of Transactions	FY 2025-26 (₹ in Lakhs)	Indo Maroc Phosphates S.A.	a) Purchase of raw materials (Phosphoric acid)	254,126.83		b) Other expenses (Demurrage Expenses)	169.28		c) Other Income-Excess Liability written back	32.03	OCP S.A.	a) Purchase of raw materials (Rock phosphate)	70,356.89		b) Purchase of raw materials (Phosphoric acid)	10,592.80		c) Other expenses (Demurrage Expenses)	7.23	Phosphates De Boucraa S.A.	a) Purchase of raw materials (Rock phosphates)	208,743.67		b) Other expenses (Demurrage Expenses)	170.63
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S. No.	Particulars of the information	Information provided by the management								
2.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	<table><tr><th>Name of the related party</th><th>Amount of Transactions (₹ in Lakhs)</th></tr><tr><td>Indo Maroc Phosphates S.A.</td><td>9.67</td></tr><tr><td>OCP S.A.</td><td>41,892.03</td></tr><tr><td>Phosphates De Boucraa S.A.</td><td>13,759.78</td></tr></table>	Name of the related party	Amount of Transactions (₹ in Lakhs)	Indo Maroc Phosphates S.A.	9.67	OCP S.A.	41,892.03	Phosphates De Boucraa S.A.	13,759.78
Name of the related party	Amount of Transactions (₹ in Lakhs)									
Indo Maroc Phosphates S.A.	9.67									
OCP S.A.	41,892.03									
Phosphates De Boucraa S.A.	13,759.78									
3.	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.	None								

A(4). Amount of the proposed transaction(s)

S. No.	Particulars of the information	Information provided by the management																																	
1.	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.	<table> <tr> <th>Name of Related party</th><th>Nature of transaction</th><th>Amount of Transaction* (₹ in Lakhs)</th></tr> <tr> <td>(i) Indo Maroc Phosphates S.A.</td><td>Purchase, sale or supply of goods /material and allied activities</td><td>2,07,500</td></tr> <tr> <td></td><td>Demurrage expenses/claims/interest receivable/payables, Reimbursement of expenses</td><td>2,500</td></tr> <tr> <td></td><td>Total</td><td>2,10,000</td></tr> <tr> <td>(ii) OCP S.A.</td><td>Purchase, sale or supply of goods /material and allied activities</td><td>2,45,000</td></tr> <tr> <td></td><td>Demurrage expenses/claims/interest receivable/payables, Reimbursement of expenses</td><td>5,000</td></tr> <tr> <td></td><td>Total</td><td>2,50,000</td></tr> <tr> <td>(iii) Phosphates De Boucraa S.A.</td><td>Purchase, sale or supply of goods /material and allied activities</td><td>3,95,000</td></tr> <tr> <td></td><td>Demurrage expenses/claims/interest receivable/payables, Reimbursement of expenses</td><td>5,000</td></tr> <tr> <td></td><td>Total</td><td>4,00,000</td></tr> <tr> <td></td><td></td><td>Total : (i)(ii) & (iii) = 8,60,000</td></tr> </table>	Name of Related party	Nature of transaction	Amount of Transaction* (₹ in Lakhs)	(i) Indo Maroc Phosphates S.A.	Purchase, sale or supply of goods /material and allied activities	2,07,500		Demurrage expenses/claims/interest receivable/payables, Reimbursement of expenses	2,500		Total	2,10,000	(ii) OCP S.A.	Purchase, sale or supply of goods /material and allied activities	2,45,000		Demurrage expenses/claims/interest receivable/payables, Reimbursement of expenses	5,000		Total	2,50,000	(iii) Phosphates De Boucraa S.A.	Purchase, sale or supply of goods /material and allied activities	3,95,000		Demurrage expenses/claims/interest receivable/payables, Reimbursement of expenses	5,000		Total	4,00,000			Total : (i)(ii) & (iii) = 8,60,000
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*Board of Directors may interchange the limit between each of the related parties mentioned above within the overall limit of ₹ 8,60,000 Lakhs.

2. Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?
- Yes

S. No.	Particulars of the information	Information provided by the management																															
3.	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	<table><thead><tr><th>Name of Related party</th><th>Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover</th></tr></thead><tbody><tr><td>Indo Maroc Phosphates S.A.</td><td>10%</td></tr><tr><td>OCP S.A.</td><td>11%</td></tr><tr><td>Phosphates De Boucraa S.A.</td><td>18%</td></tr></tbody></table>	Name of Related party	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover	Indo Maroc Phosphates S.A.	10%	OCP S.A.	11%	Phosphates De Boucraa S.A.	18%																							
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OCP S.A.	11%																																
Phosphates De Boucraa S.A.	18%																																
4.	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)	Not Applicable																															
5.	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.	<table><thead><tr><th>Name of Related party</th><th>Value of the proposed transactions as a percentage of the related party's annual consolidated turnover</th></tr></thead><tbody><tr><td>Indo Maroc Phosphates S.A.</td><td>42%</td></tr><tr><td>OCP S.A.</td><td>2%</td></tr><tr><td>Phosphates De Boucraa S.A.</td><td>112%</td></tr></tbody></table>	Name of Related party	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover	Indo Maroc Phosphates S.A.	42%	OCP S.A.	2%	Phosphates De Boucraa S.A.	112%																							
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6.	Financial performance of the related party for the immediately preceding financial year: Explanations: The above information is to be given on standalone basis. If standalone is not available, provide on consolidated basis.	<table><thead><tr><th>Indo Maroc Phosphates S.A.</th><th>(₹ In lakhs)</th></tr></thead><tbody><tr><td>Particulars</td><td>FY 2025</td></tr><tr><td>Turnover</td><td>4,96,316.27</td></tr><tr><td>Profit After Tax</td><td>44,692.66</td></tr><tr><td>Net worth</td><td>1,71,489.78</td></tr><tr><td>OCP S.A.</td><td>(₹ In lakhs)</td></tr><tr><td>Particulars</td><td>FY 2025</td></tr><tr><td>Turnover</td><td>1,13,81,800.21</td></tr><tr><td>Profit After Tax</td><td>18,45,286.44</td></tr><tr><td>Net worth</td><td>1,40,98,715.63</td></tr><tr><td>Phosphates De Boucraa S.A.</td><td>(₹ In lakhs)</td></tr><tr><td>Particulars</td><td>FY 2025</td></tr><tr><td>Turnover</td><td>7,41,390.86</td></tr><tr><td>Profit After Tax</td><td>3,57,994.92</td></tr><tr><td>Net worth</td><td>83,814.67</td></tr></tbody></table>		Indo Maroc Phosphates S.A.	(₹ In lakhs)	Particulars	FY 2025	Turnover	4,96,316.27	Profit After Tax	44,692.66	Net worth	1,71,489.78	OCP S.A.	(₹ In lakhs)	Particulars	FY 2025	Turnover	1,13,81,800.21	Profit After Tax	18,45,286.44	Net worth	1,40,98,715.63	Phosphates De Boucraa S.A.	(₹ In lakhs)	Particulars	FY 2025	Turnover	7,41,390.86	Profit After Tax	3,57,994.92	Net worth	83,814.67
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A(5). Basic details of the proposed transaction

S. No.	Particulars of the information	Information provided by the management									
1.	Specific type of the proposed transaction (e.g. sale of goods/ services, purchase of goods/ services, giving loan, borrowing etc.)	The details provided in A(4)(1)									
2.	Details of each type of the proposed transaction										
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	FY 2026-27									
4.	Whether omnibus approval is being sought?	Yes									
5.	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	<table><thead><tr><th>Name of Related party</th><th>Amount of Transactions in a year * (₹ in Lakhs)</th></tr></thead><tbody><tr><td>Indo Maroc Phosphates S.A.</td><td>2,10,000</td></tr><tr><td>OCP S.A.</td><td>2,50,000</td></tr><tr><td>Phosphates De Boucraa S.A.</td><td>4,00,000</td></tr></tbody></table>	Name of Related party	Amount of Transactions in a year * (₹ in Lakhs)	Indo Maroc Phosphates S.A.	2,10,000	OCP S.A.	2,50,000	Phosphates De Boucraa S.A.	4,00,000	
Name of Related party	Amount of Transactions in a year * (₹ in Lakhs)										
Indo Maroc Phosphates S.A.	2,10,000										
OCP S.A.	2,50,000										
Phosphates De Boucraa S.A.	4,00,000										
		*Board of Directors may interchange the limit between each of the related parties mentioned above within the overall limit of ₹ 8,60,000 Lakhs									
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	• The Company depend on OCP SA, Indo Maroc Phosphore S.A.,and Phosphates De Boucraa S.A. for the procurement of most important raw material by value such as Phosphate Rock and Phosphoric acid and other traded fertilizers such as TSP and DAP etc. • In order to ensure a stable supply of most important raw material by value, the Company has entered into a long term Phosphate Rock supply contract with OCP, globally leading producer of such raw material and which operates largely in the Morocco which has approximately 70% of the global Phosphate Rock reserves according to CRISIL Research, provides us the ability to source cost-effective and increasing amounts of Phosphate Rock as our operations grow. • Arrangement is commercially beneficial. • Competitive pricing and at arm's length with assurance of quality and also provides flexibility to our sourcing plants during the volatility of supply.									
7.	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly. <i>Explanation: Indirect interest shall mean interest held through any person over which an individual has control.</i>										
	a. Name of the director / KMP	Mr. Karim Senhadji- CFO of OCP Group and Mr. Soual Mohamed									
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	Nil									
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	As the transactions are in the ordinary course of business at arm's length, the transactions do not contemplate any valuation.									
9.	Other information relevant for decision making.	Nil									

B(1). Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances

S. No.	Particulars of the information	Information provided by the management
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	Not Applicable
2.	Basis of determination of price.	The import prices charged by the related parties for supply of raw materials are linked to the quarterly pricing set for the Indian industry, which is published in recognized industry sources such as Argus. This linkage ensures that the other industry players also follow the same pricing and our pricing is consistent with market trends, which ensure that the prices are at arm's length. Further the price charge for traded fertilizers is indexed with CFR India Prices as per the Publications in recognized Industry Sources such as Argus, Fertecon, Profercy & CRU, which is consistent with market trends, which ensure that the prices are at arm's length. Furthermore, Company utilize robust methodologies for determining arm's length prices, specifically: • Comparable Uncontrolled Price Method • Transactional Net Margin Method These methods allow us to establish fair pricing practices that align with industry standards.
3.	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction, specify the following: - Amount of Trade advance - Tenure - Whether same is self-liquidating?	Not Applicable

Save and except as disclosed at point no. A5(7)(a) of the aforementioned table, none of other Directors or Key Managerial Personnel of the Company and/or their respective relatives are, in any manner, concerned or interested, financially or otherwise, in this Resolution except to the extent of their shareholding and/or common directorship, if any.

However, Members may note that in accordance with the Regulation 23(4) of the SEBI Listing Regulations, the resolution as set out at Item No. 6, being a resolution for approval of material RPTs, all related parties (whether such related party(ies) are a parties to the aforesaid transaction(s) or not) shall not vote to approve said resolution as set out at Item No. 6.

The Board accordingly recommends the Ordinary Resolution as set out at Item No. 6 for approval of the Members of the Company.

Item No. 7: Payment of remuneration to Directors other than Executive Directors

The Non-Executive Directors are paid sitting fees for attending the Board and Committee meetings and reimbursement of expenses incurred for attending the meetings of the Board or its

Committees. The increasing demand for the independent and professional Directors, to compensate for their contribution for the growth of the Company and the ever changing regulatory environment, it is advisable to appropriately compensate, attract and retain professionals on the Board. In order to remunerate the Non-Executive Directors (whether existing or future) for rendering their services to the Company, it is proposed to pay remuneration to the Directors (whether existing or future) other than the Executive Directors, collectively up to 1% of the net profits computed in the manner referred to in Section 198 of the Companies Act, 2013, for each Financial Year over a period of three (3) Financial Years commencing from FY 2025-26 subject to the Company achieving profits for the respective financial years, in such proportion/ manner as may be determined by the Board of Directors of the Company, subject to a maximum of ₹ 10,00,000 per annum per Director, payable at such periodicity as the Board may deem fit. For the period less than a year in any Financial Year, the amount shall be prorated. The above remuneration will be in addition to the sitting fees and reimbursement of expenses, if any, for attending the meetings of the Board of Directors or Committees thereof.

Accordingly, approval of the Shareholders is sought by way of an Ordinary Resolution for payment of remuneration to the Directors of the Company other than the Executive Directors. The Board recommends the Ordinary Resolution set out under Item No. 7 of the Notice for approval by the members.

The Managing Director, Joint Managing Director and Key Managerial Personnel of the Company and their relatives are not concerned or interested, financially or otherwise, in the Resolution set out at Item No. 7 of the Notice. Directors other than the Executive Directors of the Company and their relatives may be deemed to be concerned or interested in the Resolution set out at Item No. 7 of the Notice to the extent of their shareholding interest, if any, in the Company.

Item No. 8: Approval of 'Paradeep Phosphates Limited Performance Stock Option Plan 2026' ("PSOP 2026")

The Company has been pursuing a growth-oriented strategy aimed at strengthening its business operations, enhancing operational efficiency, expanding its manufacturing and product capabilities and creating sustainable long-term value for its stakeholders. To support the Company in achieving its strategic objectives and successfully navigating its next phase of growth, it is considered important to attract, retain and motivate employees who have a significant role in driving the Company's performance and long-term growth.

Performance Stock Options ("Options") are widely recognised as an effective long-term incentive mechanism for attracting, motivating and retaining key talent and for aligning the interests of employees with those of the Company and its shareholders. Accordingly, the Company proposes to introduce the '**Paradeep Phosphates Limited Performance Stock Option Plan 2026**' ("**PSOP 2026 or Plan**").

The PSOP 2026 is intended to recognise and reward employees for their contribution to the Company's growth and performance, while encouraging them to participate in the Company's long-term success. The PSOP 2026 is designed to link the benefits available to eligible employees with the achievement of specified performance conditions and the long-term performance of the Company. Through employee ownership, the PSOP 2026 is expected to foster a greater sense of ownership and commitment, encourage a long-term perspective towards business performance and support wealth creation for employees.

The PSOP 2026 is therefore intended to form an important component of the Company's talent management and remuneration strategy by strengthening the linkage between employee performance, long-term business objectives and shareholder value creation

The PSOP 2026 has been formulated in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder, Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations,

2021 ("SEBI SBEB & SE Regulations") and other applicable laws, as amended from time to time.

The PSOP 2026 was approved by the Board of Directors at its meeting held on July 28, 2026, subject to the approval of the Members of the Company.

The PSOP 2026 shall be operated and administered under the superintendence of the Nomination and Remuneration Committee ("NRC or Committee"), which shall have such powers and responsibilities as may be conferred upon it under the PSOP 2026 and applicable laws, including determining the eligibility of employees, quantum of Options to be granted, performance conditions, vesting terms and other matters in accordance with the PSOP 2026.

The Committee will formulate the detailed terms and conditions of the PSOP 2026 including:

- a. the quantum of options, shares or benefits as the case may be, per employee and in aggregate under a Plan;
- b. the kind of benefits to be granted under this Plan;
- c. the conditions under which options, shares or other benefits as the case may be, may vest in employees and may lapse in case of termination of employment for misconduct;
- d. The schedule for Vesting of the Options granted to Employees;
- e. The price at which the Options are to be granted from time to time (which will be the Exercise Price for the options at a future date);
- f. the exercise period within which the employee can exercise the options and that options would lapse on failure to exercise the same within the exercise period;
- g. the specified time period within which the employee shall exercise the vested options or in the event of termination or resignation;
- h. the right of an employee to exercise all the options, as the case may be, vested in him at one time or at various points of time within the exercise period;
- i. the procedure for making a fair and reasonable adjustment to the entitlement including adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard, the following shall, inter alia, be taken into consideration by the Committee:
 - i. the number and price of options shall be adjusted in such a manner that total value to the employee of the options remains the same after the corporate action;
 - ii. the vesting period and the life of the options shall be left unaltered as far as possible to protect the rights of the employee(s) who is granted such options;

- j. the grant, vesting and exercise of shares, options or in case of employees who are on long leave;
- k. eligibility to avail benefits under this Plan in case of employees who are on long leave;
- l. the procedure for funding the exercise of options;
- m. the procedure for buy-back of specified securities issued under relevant regulations, if to be undertaken at any time by the company, and the applicable terms and conditions, including:
 - (i) permissible sources of financing for buy-back;
 - (ii) any minimum financial thresholds to be maintained by the company as per its last financial statements; and
 - (iii) limits upon quantum of specified securities that the company may buy-back in financial year.

For the purpose of this Clause, specified securities means as defined under the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

- n. Amend any terms and conditions of any Options granted under the Plan to the extent it is not inconsistent with the terms of the Plan and not prejudicial to the interest of the Option Grantee.

The salient features and other details of the PSOP-2026 as required pursuant to Regulation 6(2) of SEBI SBEB & SE Regulations are as under:

a) Brief Description of the Performance Stock Option Plan 2026' ("PSOP 2026") is given as under:

'Paradeep Phosphates Limited Performance Stock Option Plan 2026' ("PSOP 2026") has been formulated by the Company and to be implemented by its Board or Committee, in terms of provisions of Companies Act, 2013 and rules made thereunder, Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued by Securities and Exchange Board of India (the "SEBI") and other applicable laws. The PSOP 2026 has been approved by the Board of Directors at their meeting held on 28th July, 2026, subject to the approval of the members.

b) The total number of options to be granted

The total number of Options that may, in the aggregate, be issued would be such number of Options which shall entitle the Option holders to acquire in one or more tranches upto 20,00,000 (Twenty Lakh Only) equity shares of ₹ 10/- (Rupees Ten) each (or such other adjusted figure for any bonus, stock splits or consolidations or other re-organisation of the capital structure of the Company as may be applicable from time to time).

In case of any corporate action(s) such as rights issues, bonus issues, buy-back, scheme of arrangement, merger and sale or division, and others, a fair and reasonable

adjustment needs to be made to the Options granted. Accordingly, if any additional equity shares are issued by the Company to the Option grantees for making such fair and reasonable adjustment, the above ceiling shares shall be deemed to be increased to the extent of such additional equity shares issued.

An Employee may surrender his/her vested /unvested options at any time during / post his employment with the company. Any employee willing to surrender his/her Options shall communicate the same to the Committee of the Company in writing.

Vested Options lapsed due to non-exercise, surrender and/ or unvested Options that gets cancelled due to resignation or any other separation conditions of Option grantees, surrendered or otherwise, would be available for being re-granted at a future date. The Committee is authorized to re-grant such lapsed / cancelled / surrendered options as per the provisions of PSOP 2026.

c) Identification of classes of employees entitled to participate and be beneficiaries in the PSOP 2026

Following class / classes of employees are entitled to participate in PSOP 2026:

Employee/s as may be determined by the Committee of the Board out of the following: -

- (a) an employee as designated by the Company, who is exclusively working in India or outside India; or
- (b) a Director of the Company, whether a Whole Time Director or not, including a Non-Executive Director who is not a Promoter or member of the Promoter Group, but excluding an Independent Director; or
- (c) an employee as defined in sub-clauses (a) or (b), but does not include—
 - 1) an employee who is a Promoter or a person belonging to the Promoter Group; or
 - 2) a Director who, either himself or through his relative or through anybody corporate, directly or indirectly, holds more than ten per cent of the outstanding equity Shares of the Company;

The class of employees eligible for participating in the PSOP 2026 shall be determined on the basis of the grade, length of service, performance record, merit of the Employee, future potential contribution by the employee, role assigned to the employee and such other parameters as may be decided by the Committee of the Company in its sole discretion from time to time.

The Options granted to an employee will not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.

d) Requirements of vesting and period of vesting

The options shall vest essentially based on continuation of employment and apart from that the Committee may prescribe other performance matrix / other condition(s) for vesting. The vesting may occur in tranches or otherwise. The detailed terms and conditions governing the vesting of Options including applicable vesting period and proportion shall be subject to the following:

Schedule:

- (i) There shall be minimum period of one year between the grant of Options and vesting of Options;
- (ii) The maximum vesting period may extend up to three years or such period as may be decided by the NRC; and
- (iii) The vesting shall happen in one or more tranches as may be decided by the NRC.

All the Options granted shall vest as per the schedule determined by the NRC from the date of the grant. The NRC shall always have a right, at its sole discretion to change the Vesting Schedule in respect of any Options to be granted.

Pre-determined Performance Matrix for employees covered under PART A:

The vesting of all Options granted under this shall be subject to the achievement of the following performance criteria:

- A) Individual Performance:** In order to be eligible for vesting of any Options, the employee must achieve a minimum individual performance threshold as per the performance appraisal process of the Company.
- B) Company Performance:** Vesting of the Options shall also be subject to the performance of the Company for the relevant financial year against various parameters such as Earnings Before Interest, Depreciation, Taxes and Amortization (EBIDTA), Return on Capital Employed (ROCE), Earnings per Share (EPS) and Operating Cash Flow (OCF) as approved by the Board, provided that an eligible employee meets the individual performance criteria as stated above. The achievement of such targets will be calculated as a percentage of the actual performance in the relevant

financial year against such targets and assigning a weightage to the parameters as below:

- Earnings Before Interest, Depreciation, Taxes and Amortization (EBIDTA)- 30 %
- Return on Capital Employed (ROCE)- 20%
- Earnings per Share (EPS)- 30%
- Operating Cash Flow (OCF)- 20%

Evaluation Methodology: The overall performance achievement shall be calculated based on the weighted average of the actual performance against the set targets for each metric.

The final vesting shall be proportional to the overall achievement percentage as per below vesting condition, subject to meeting the individual performance threshold. The Committee shall retain the discretion to interpret, modify, or adjust the performance targets and methodology/ weightages as mentioned above in line with prevailing business conditions.

The eligibility for vesting based on Performance under the PSOP 2026 for the eligible employees shall be determined based on the achievement of performance targets. If the overall achievement percentage is below 85% (eighty-five percent) of the target, there shall be no vesting of any Options. In the event the overall achievement percentage is 85% (eighty-five percent), the vesting shall be 65% of the options granted and thereafter it follows a straight-line till 100% achievement. Overall vesting of options is capped at 100% even if the option grantee(s) overachieve(s).

Pre-determined Performance Matrix for employees covered under PART B:

The vesting of all Options granted under this shall be subject to pre-determined Share Price being achieved in next 3 years' timeline.

The Committee shall retain the discretion to interpret, modify, or adjust the performance targets and methodology/ weightages as mentioned above in line with prevailing business conditions.

Following table shall be applicable in case of various scenarios (during employment) for vesting and exercising*:

Sr. No.	Separations	Vested Options	Unvested Options
1	Resignation	Subject to the terms and conditions, all Vested Options as on date of submission of resignation may be exercised by the Option Grantee before the closure of the next exercise window available after such resignation.	All Unvested Options on the date of submission of resignation shall stand cancelled with effect from that date.
2	Termination (With cause like fraud, misconduct etc.)	All the options granted and are vested but which were not exercised at the time of such termination shall stand cancelled with effect from the date of such termination.	All the options granted and are unvested on the date of such termination shall stand cancelled with effect from the termination date.
3	Termination (Without cause)	All the options granted and are vested but which were not exercised at the time of such termination may be exercised by the Option Grantee before the closure of the next exercise window available after such termination.	All the options granted and are unvested on the date of such termination shall stand cancelled with effect from the termination date.
4	Retirement or early Retirement approved by Company	All vested Options shall vest as per original vesting schedule and may be exercised by the Option Grantee within the originally allowed exercise period.	Subject to clause 8.8 of the PSOP 2026, all Unvested Options shall vest as per original vesting schedule and may be exercised by the Option Grantee within the originally allowed exercise period.
5	Death	All Vested options, granted under a PSOP 2026 to him/her till his/her death shall vest, with effect from the date of his/her death, in the legal heirs or nominees of the deceased employee, as the case may be and such options may be exercised by the Option Grantee's nominee or legal heir immediately after, but in no event later than 12 months from the date of Death.	All Unvested Options as on the date of death shall vest immediately and may be exercised by the Option Grantee's nominee or legal heir/s within 12 months from the date of death.
6	Permanent Disability	All Vested options, granted under a PSOP 2026 to him/her till his/her Permanent Disability shall vest, with effect from the date of his/her Permanent Disability and such options may be exercised by the Option Grantee immediately after, but in no event later than 12 months from the date of Permanent Disability.	All Unvested Options as on the date of Permanent Disability shall vest immediately and may be exercised by the Option Grantee within 12 months from the date of Permanent Disability .
7	Abandonment**	All the Vested Options shall stand cancelled.	All the Unvested Options shall stand cancelled.
8	Any other reason not specified above	The Committee shall decide whether the Vested Options as on that date can be exercised by the Option Grantee or not, and such decision shall be final.	All Unvested Options on the date of separation shall stand cancelled with effect from that date.

*In case of any regulatory changes warranting any change in vesting schedule/ conditions/exercise period in any of the above separation conditions, the provisions of such change shall apply.

**The Committee, at its sole discretion shall decide the date of cancellation of Option's and such decision shall be binding on all concerned. Provided that, in accordance with Applicable Law, notwithstanding anything to the contrary contained herein, the Company shall not vary the terms of the PSOP 2026 in any manner which may be detrimental to the interests of the Employees.

e) Maximum period within which the options shall be vested

The maximum vesting period may extend up to 3 (Three) years from the date of respective grant of Options, unless otherwise decided by the Committee.

The Committee, shall have, subject to the applicable law (and subject to a minimum vesting period of 1 year) the right, to vest all or part of the Unvested Options in an accelerated manner from out of the options granted and outstanding to the employees.

f) Exercise price or pricing formula

Exercise Price means the price, if any, payable by an employee for exercising the option granted to such an employee in pursuance of PSOP 2026.

The Exercise Price shall be the face value of the equity shares of the Company on the date of grant or as may be decided by the Committee as is allowed under the Companies Act, and SEBI (SBEB and SE) Regulations, which in any case will not be lower than the face value of the equity Shares of the Company on the date of such grant. Further the Exercise Price can be different for different set of employees for Options granted on same / different dates.

Payment of the Exercise Price shall be made by electronic mode such as NEFT/RTGS or a crossed cheque or a demand draft drawn in favour of the Company, or by any other payment methods prevalent in RBI recognized banking channels or in such other manner and subject to such procedures as the Committee may decide.

No amount shall be payable by the Option Grantee at the time of grant and hence no amount is required to be forfeited even if an employee does not exercise the options within the exercise period and accordingly no adjustment is required to be made for the same.

g) Exercise period and process of exercise

The exercise period shall not be more than **2 (Two) years** from the date of respective vesting of Options. The Options granted may be exercised by the grantee at one time or at various points of time within the exercise period as determined by the Committee from time to time.

The vested Options shall be exercisable by the Employees by a written application (which will include making applications online using any ESOP administration software) to the Company expressing his/ her desire to exercise such Options in such manner and on such format as may be prescribed by the Committee from time to time. The Options shall lapse if not exercised within the specified exercise period. The Options may also lapse, under certain circumstances even before the expiry of the specified exercise period.

h) Appraisal Process for determining the eligibility of Employees to the PSOP 2026

The appraisal process for determining the eligibility of the Employee will be specified by the Committee and will be based on the roles which have high impact and which will take the organization to next level/ phase of growth and/ or by any such criteria that may be determined by the Committee from time to time.

i) Maximum number of Options to be offered and issued per Employee and in the PSOP 2026

The maximum number of Options that may be granted to an identified employee under the PSOP 2026 in any financial year, and in aggregate over the tenure of the PSOP 2026, shall not exceed 10,00,000 (Ten Lakhs) Options.

j) Maximum quantum of benefits to be provided per Employee under the PSOP 2026

The maximum quantum of benefits shall refer to the maximum number of Options that may be granted to each per employee, per grant and in aggregate.

No benefit other than grant of Options under PSOP 2026, and any consequential grant of equity shares of the Company is contemplated under PSOSP 2026. Therefore, the maximum quantum of benefits under PSOP 2026 is the difference between the market value of the equity shares of the Company, and the exercise price of the Options, as on the date of exercise.

k) Whether PSOP 2026 is to be implemented and administered directly by the Company or through a trust

The PSOP 2026 will be implemented and administered directly by the Company.

l) Whether PSOP 2026 involves new issue of shares by the Company or secondary acquisition by the trust

The PSOP 2026 will involve only new issue of shares by the Company.

m) The amount of loan to be provided for implementation of the PSOP 2026 by the Company to the trust, its tenure, utilization, repayment terms, etc.

Not Applicable

n) Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the PSOP 2026

Not Applicable

o) Disclosure and accounting policies

The Company shall follow the laws/regulations applicable to accounting and disclosure related to performance Stock Options, including but not limited

to SEBI (SBEB and Sweat Equity) Regulations as well as section 133 of the Companies Act, the Guidance Note on Accounting for Employee Share-based Payments and/ or any relevant Accounting Standards as may be prescribed by the Regulatory authorities from time to time, including the disclosure requirements prescribed therein.

The Company shall make disclosures to the prospective Option Grantees containing statements of risk, information about the Company and salient features/Plan document of the PSOP 2026 in a format as prescribed under SEBI (SBEB and Sweat Equity) Regulations, 2021.

The Company shall disclose details of Grant, Vest, Exercise and lapse of the Performance Stock Options in the Directors' Report or in an annexure there of as prescribed under SEBI (SBEB and Sweat Equity) Regulations or any other Applicable Laws as in force.

The company shall be free to determine the exercise price subject to conforming to the accounting policies specified in regulation 15 of SEBI (SBEB and SE) Regulations, 2021.

p) Method of valuation of Options

The Company will follow IFRS/ IND AS/ any other requirements for accounting of the stock Options as are applicable to the Company for the same.

Since the Company opts for expensing of share-based employee benefits using the fair value method, the following statement will not be applicable viz.

In case the Company opts for expensing of share based employee benefits using the intrinsic value intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' Report and the impact of this difference on profits and on earnings per share ("EPS") of the Company shall also be disclosed in the Directors' Report.

q) Lock-in period, if any

The Shares issued upon exercise of Options shall be freely transferable and shall not be subject to any lock-in period restriction after such exercise. However, the Committee may, in some cases, provide for lock-in of Shares issued upon exercise of Options, which shall be mentioned in grant letter issued to the Option Grantee.

Provided that the transferability of the Shares shall be subject to the restriction for such period in terms of the Securities Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015, as amended from time to time or for such other period as may be stipulated from time to time in terms of Company's Code of Conduct for Prevention of Insider Trading, as and when these regulations applicable to the Company.

r) Terms & conditions for buyback, if any, of specified securities covered under the SEBI (SBEB and Sweat Equity) Regulations

Subject to compliance with Applicable Laws and limitations set out in the PSOP 2026, the Committee shall upon the advice of PSOP 2026 Administrator or otherwise, determine the procedure for buy-back of specified securities issued under SEBI (SBEB and Sweat Equity) Regulations, if to be undertaken at any time by the company and the applicable terms and conditions, including:

- (i) permissible sources of financing for buy-back;
- (ii) any minimum financial thresholds to be maintained by the company as per its last financial statements; and
- (iii) limits upon quantum of specified securities that the company may buy-back in financial year.

For the purpose of this Clause, specified securities means as defined under the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

s) Rights of the Option holder

The Employee shall not have right to receive any dividend or to vote or in any manner enjoy the benefits of a shareholder in respect of the Option granted to him, till shares are allotted upon exercise of Option.

t) Consequence of failure to exercise Option

All unexercised Options shall lapse if not exercised on or before the exercised period ends.

Any amount paid/payable, if any, by the employee at the time of the grant, vesting or exercise of the options will be forfeited if the employee does not exercise the same within the exercise period.

u) Certificate from Secretarial Auditors

The Board of Directors shall at each annual general meeting place before the shareholders a certificate from the secretarial auditors of the company that the PSOP 2026 has been implemented in accordance with the prescribed regulations and in accordance with the resolution of the company in the general meeting.

v) Terms of the PSOP 2026:

- 1) The Company shall not vary the terms of the PSOP 2026 in any manner, which may be detrimental to the interests of the Option grantees: Provided that the Committee shall be entitled to vary the terms of the **PSOP 2026** to meet any regulatory requirements without seeking shareholder's approval by special resolution in terms of regulation 7 of SEBI (SBEB and Sweat Equity) Regulations.

- 2) Subject to clause (a) of sub-rule (5) of Rule 12 of Companies SCD Rules and relevant regulation of SEBI (SBEB and Sweat Equity) Regulations, the Company may by Special Resolution in a General Meeting vary the terms of the PSOP 2026 offered pursuant to an earlier resolution of the general body but not yet exercised by the Employee provided such variation is not prejudicial to the interests of the Option grantees.
- 3) The notice for passing special resolution for variation of terms of the PSOP 2026 shall disclose full details of the variation, the rationale therefore and the details of the Option grantees who are beneficiaries of such variation.
- 4) The Company may re-price the Options as the case may be which are not exercised, whether or not they have been vested if the terms of the grants were rendered unattractive due to fall in the price of the shares in the stock market; provided that the Company ensures that such re-pricing shall not be detrimental to the interest of the Option grantees and approval of the shareholders in general meeting has been obtained for such re-pricing.

w) Transferability of Performance Stock Options:

- 1) The Options granted to an Employee shall not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner. However, in the event of the death of the Option grantee, the right to exercise all the Options granted to him till such date shall be vested in his legal heirs or nominees.
- 2) In the event that an Option grantee who has been granted benefits under a PSOP 2026 is transferred or deputed to Holding Company or its Subsidiary Company or Associate Company or group Company

(present or future) prior to vesting or exercise, the vesting and exercise as per the terms of grant shall continue in case of such transferred or deputed employee, even after the transfer or deputation.

x) Other terms

The Board or Committee shall have the absolute authority to vary, modify or alter the terms of the PSOP 2026 in accordance with the Companies Act, 2013, as amended read with rules made thereunder, any regulations and guidelines as prescribed by the SEBI or regulations that may be issued by any appropriate authority, from time to time, unless such variation, modification or alteration is detrimental to the interest of the Option grantees.

The Board or Committee may, if it deems necessary, modify, change, vary, amend, suspend or terminate the PSOP 2026, subject to compliance with the applicable laws and regulations.

The shares may be allotted directly to the Option grantees in accordance with the PSOP 2026 and such PSOP 2026 may also contain provisions for providing financial assistance to the employees to enable the employees to acquire or subscribe to the shares.

Consent of the members is sought pursuant to the provisions of section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013, as amended and as per the requirement of regulation 6 of the SEBI (SBEB and Sweat Equity) Regulations.

The Board recommends the Special Resolution set out under Item No. 8 of the Notice for approval by the members.

None of the Directors, Key Managerial Personnel of the Company including their relatives are interested or concerned in the resolution No. 8, except to the extent of their entitlements, if any, under the PSOP 2026.

By Order of the Board of Directors

Sachin Patil
Company Secretary
Membership No. A31286

Date: July 28, 2026
Registered Office: 5th Floor, OSHWC Building,
Pandit J N Marg, Bhubaneswar – 751 001

Annexure-A

Details of the Director seeking re-appointment at the forthcoming Annual General Meeting.

Name of the Director	Saroj Kumar Poddar
- Date of Birth - Age - Inter-se relationship with Directors of the Company - Date of First Appointment - Qualification - Functional Expertise & Experience including brief resume.	September 15, 1945 80 years He is a Chairman of the Company and father of Mr. Akshay Poddar, Non-Executive Director & member of Promoter Group of the Company. February 05, 2014 Bachelor's degree in Commerce He is a leading Indian industrialist with over six decades of experience in business, industry, and institution building, with a keen interest in art, culture and sports and is also associated with various philanthropic and charitable initiatives. A gold medallist in B.Com. (Hons.) from Calcutta University, Mr. Poddar served as Chairman of the India-Saudi Arabia Joint Business Council and has been a Member of the Indo-French CEO Forum. He has served as President of the Federation of Indian Chambers of Commerce and Industry (FICCI) and the International Chamber of Commerce in India. He has also served on the Board of Trade, the Court of the Indian Institute of Science, Bengaluru, the Board of Governors of the Indian Institute of Technology, Kharagpur, and the Local Board of the Reserve Bank of India. He has also served on the Advisory Board of N M Rothschild & Sons (India) Pvt. Ltd. Mr. Poddar has received several honours, including the Rashtriya Samman Award from the Central Board of Direct Taxes in India, the "Lifetime Achievement Award 2017" by The Economic Times, and was appointed Commander in the National Order of Merit ("Commandeur de l'Ordre national du Merite") by the President of the French Republic in 2011. He was also conferred a Lifetime Achievement Award at the Sanmarg Business Awards 5th Edition in February 2025.
- Terms and Conditions of re-appointment - Directorship held in other companies (excluding foreign companies & Section 8 companies) as on 31st March, 2026.	Re-appointment on retirement by rotation - Chambal Fertilisers and Chemicals Limited - Lionel India Limited - Texmaco Rail & Engineering Limited - Zuari Agro Chemicals Limited - Zuari Industries Limited - Adventz Finance Private Limited - Hettich India Private Limited - Adventz Homecare Private Limited - Hepo India Private Limited - Zuari Envien Bioenergy Private Limited - Nobilia India Private Limited - Adventz Keventer Capital Advisors Private Limited
Listed entities from which the person has resigned in the past 3 years	Texmaco Infrastructure & Holdings Limited – cessation 25.09.2023
Membership/Chairmanship of Committees of public Companies (includes only Audit Committee & Stakeholders Relationship Committee) as on 31st March, 2026.	None
Shareholding in the Company, including shareholding as a beneficial owner.	Nil
Remuneration proposed to be paid	Does not draw any remuneration from the Company in his role as Non-Executive Director, except sitting fees for attending the meetings and the commission as recommended by NRC subject to the overall limit approved by the shareholders.

For other details such as number of meetings of Board of Directors attended during the year and remuneration last drawn i.e., as on March 31, 2026, please refer to the Corporate Governance Report (Annexure A) to the Director's Report.

Annexure- 1**Detailed information in respect of deduction of Tax at source (TDS) on the Final Dividend for the Financial Year 2025-26**

We are pleased to inform you that the Board of Directors of the Company, at its meeting held on May 11, 2026, has inter alia approved and recommended payment of final dividend at the rate of ₹ 1.50 per share of the face value of ₹ 10/- each on equity shares of the Company for the financial year ended March 31, 2026 ("Final Dividend"), subject to the approval of the shareholders at the ensuing 44th Annual General Meeting ("AGM") of the Company to be held on Thursday, September 17, 2026.

The Final Dividend If declared at the AGM, the said final dividend on equity shares will be credited/dispatched to the shareholders within 30 days from the date of AGM to all those beneficial owners holding shares in electronic form, as per the beneficial ownership data made available to the Company by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on **September 4, 2026**.

The TDS/Withholding tax provisions for both categories of shareholders viz. Resident and Non-Resident are detailed below:

RESIDENT SHAREHOLDERS:**i. Resident individual shareholders:**

Particulars	Current rate of withholding tax
Valid PAN updated in the Company's Register of Members	10%
Members not having PAN (not registered) / invalid PAN	20%
Submission of lower/nil tax deduction certificate issued by Income Tax Department u/s 395 of Income Tax Act, 2025	Rate specified in the certificate

Members may note that no tax is required to be deducted on the dividend payable to a resident individual if the total dividend to be received by them during Financial Year 2026-27 does not exceed ₹ 10,000 or also in cases where members provide valid Form 121 subject to conditions specified in the IT Act.

The format of Form 121 can be downloaded from <https://web.in.mpms.mufig.com/client-downloads.html> On this page select the General tab. All the forms are available in under the head "Form - 41/Form - 121"

You can also download Form 121 from the Income-tax website www.incometaxindia.gov.in

ii. Resident Shareholders other than individuals:

In case of a certain class of resident shareholders other than individuals who are covered under provisions of Section 393(1)(7) or Section 393(4)(10) or Section 393(6)(a) of the Act, no tax shall be deducted at source ('NIL rate'), subject to submission of sufficient documentary evidence thereof, along with exemption notification, if any, as per the relevant provisions of the Income Tax Act, to the satisfaction of the Company. This illustratively includes following:

- i. Insurance Companies: Public Sector & other insurance companies: A declaration that it has a full beneficial interest with respect to the shares owned by it along with a self-attested copy of PAN card.
- ii. Mutual Funds: Self-declaration that they are specified and covered under Sch. VII(21) of the Act along with a self-attested copy of PAN card and registration certificate.
- iii. Alternative Investment Fund ('AIF'): AIF established/incorporated in India - Self-declaration that its income is exempt under Sch. V(1) of the Act and they are governed by SEBI Regulations as Category I or Category II AIF along with a self-attested copy of the PAN card and registration certificate.
- iv. Corporation established by or under a Central Act which is, under any law for the time being in force, exempt from income-tax on its income: Self-declaration specifying the specific Central Act under which such corporation is established and that their income is exempt under the provisions of the Act along with a self-attested copy of the PAN card and registration certificate.
- v. Other Resident Non-Individual Shareholders: Shareholders who are exempted from the provisions of TDS as per Section 393(1)(7) of the Act or who are covered under Section 393(4)(10) of the Act shall also not be subjected to any TDS, provided they submit an attested copy of the PAN along with the documentary evidence in relation to the same.

Application of Nil rate at the time of tax deduction / withholding on the dividend is subject to completeness and satisfactory review by the Company, of the documents submitted by such shareholders. Notwithstanding anything contained above, in case where the shareholders provide a certificate under Section 393(6)(a) of the Act for lower / NIL withholding of taxes, the rate specified in the said certificate shall be considered, based on submission of self-attested copy of the same.

NON-RESIDENT SHAREHOLDERS

For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 393(2) and other applicable sections of the IT Act, at the rates currently in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 159 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the member, if such DTAA provisions are more beneficial to the shareholder. For this purpose, i.e. to avail the benefits under the DTAA, non-resident shareholders will have to provide the following:

- Self-attested copy of PAN Card, if any, allotted by the Indian Income Tax authorities;
- Self-attested copy of Tax Residency Certificate ("TRC") obtained from the tax authorities of the country of which the shareholder is tax resident, valid as on date of payment;
- Copy of Form 41 duly e-filled on e-filing portal of the Indian Income tax department
- Self-declaration for the financial year 2026-27 as per the format provided in the link: <https://web.in.mpms.mufig.com/client-downloads.html>
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by member.

Please note that the application of beneficial DTAA rate at the time of tax deduction / withholding on dividend shall be subject to completeness and satisfactory review by the Company of the documents submitted by the non-resident shareholders.

Dividend paid to Foreign Institutional Investors ("FII") and Foreign Portfolio Investors ("FPI") - Tax shall be deducted at source @ 20% (plus applicable surcharge and cess) on dividend paid to FII and FPI. For the purpose of withholding tax, it may not be possible to consider applicable DTAA benefits, if any, in case of FII and FPI since the provisions of the Act do not provide so;

Tax resident of any notified jurisdictional area - Where any shareholder is a tax resident of any country or territory notified as a notified jurisdictional area under Section 176 of the Income Tax Act 2025, tax will be deducted at source at the rate of 30% or at the rate specified in the relevant provision of the Act or at the rates in force, whichever is higher, from the dividend payable to such shareholder in accordance with Section 176 of the Act.

Notwithstanding anything contained above, in cases where the shareholders provide a certificate under Section 393(6)(a) of the Act for lower / NIL withholding of taxes, the rate specified in the said certificate shall be considered based on submission of self-attested copy of the same.

SHAREHOLDERS HAVING MULTIPLE ACCOUNTS UNDER DIFFERENT STATUS / CATEGORY: Shareholders holding shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.

SUBMISSION OF DOCUMENTS

To enable us to determine the appropriate TDS / withholding tax rate applicability, the aforementioned documents are required to be submitted to the Registrar and Share Transfer Agent viz. MUFG Intime India Private Limited ("RTA") by uploading self-attested copies of the same on <https://web.in.mpms.mufig.com/formsreg/submission-of-Form-121-41.html> not later than **September 4, 2026**. Communications or documents submitted thereafter will not be considered by the Company for computation of tax on dividend.

Alternatively, you can send the documents and annexures as explained above duly filled to the RTA Email ID Investor.helpdesk@in.mpms.mufig.com; or Company email id cs.ppl@adventz.com not later than **September 4, 2026**.

Documents sent to any other email ID may lead to non-submission of documents and attract TDS as per the provisions of the Act.

Transferring credit to the beneficial owner

In cases where the shareholder is merely a custodian of the shares and, accordingly, not the beneficial owner of the dividend payable in respect thereof, then, in order to transfer the credit of TDS to the beneficial owner of dividend income, the shareholder may provide a declaration prescribed by Rule 203 of the Income-tax Rules, 2026. The aforesaid declaration shall contain (i) name, address, PAN and residential status of the person to whom credit is to be given; (ii) payment in relation to which credit is to be given; and (iii) the reason for giving credit to such person.

The above declaration must be provided on or before September 4, 2026 through emails on investor.helpdesk@in.mpms.mufig.com and cs.ppl@adventz.com, in order to enable the Company to determine and deduct appropriate TDS/withholding tax. Please note that the application for transfer of credit of TDS under Rule 203 would not be entertained in absence of the aforesaid prescribed details.

In case tax on dividend is deducted at a higher rate in the absence of receipt of the aforementioned details / documents, you still have the option of claiming refund of the excess tax paid at the time of filing your income tax return. However, no claim shall lie against the Company in respect of such taxes deducted.

For further information or clarification, Members can write to cs.ppl@adventz.com or to our RTA at investor.helpdesk@in.mpms.mufig.com

Updation of your personal details including PAN, bank account, email id, mobile number, you are requested to contact:

- in case of shareholding in electronic form - with your Depository Participant.
- in case of shareholding in physical form - with the RTA viz. MUFG Intime India Private Limited.

Updation of KYC for Physical Folios:

As per SEBI Master Circular bearing reference no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024 (superseding Master Circular for RTAs dated May 17, 2023 and subsequent circulars on the subject), Dividend will be withheld if shares held in physical folio is not KYC compliant.

SEBI as per the above referred Circular has directed as under:

- A) It shall be mandatory for all holders of physical securities in listed companies to furnish PAN, Choice of Nomination, Contact Details, (Postal Address with PIN and Mobile Number), Bank Account Details, and Specimen Signature for physical folios.
- B) Any payment including dividend, interest or redemption payment in respect of such folios is permitted only through electronic mode w.e.f. April 1, 2024, and such payment shall be made electronically only upon furnishing of PAN, KYC details and Nomination by holders of physical

We therefore request you to update your PAN, KYC details and Nomination by submitting the relevant documents viz; Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14 on or before September 4, 2026. The formats for updation of KYC details and Nomination are available on Registrar & Transfer Agent's (MUFG Intime India Private Limited) website at <https://web.in.mpms.mufig.com/client-downloads.html> -> KYC -> Formats for KYC.

Disclaimer: This communication shall not be treated as an advice from the Company or its Registrar & Transfer Agent. Shareholders should obtain the tax advice related to their tax matters from a tax professional.

Process and manner for members opting to vote electronic means:

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

a. THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

- (i) The remote e-voting period begins on Monday, September 14, 2026 at 10.00 AM (IST) and ends on Wednesday, September 16, 2026 at 5.00 PM (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 10, 2026 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/websites of Depositories/Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	1) Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The users to login to Easi/Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi/Easiest user will be able to see the e-voting option for eligible companies where the evoting is in progress as per the information provided by Company. On clicking the evoting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-voting Service Providers, so that the user can visit the e-voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsi 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.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL Depository	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on Company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 3) Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on Company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. After Successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on Company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

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

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

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

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

- (i) Login method for e-voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
 - 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on "Shareholders" module.

- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any Company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

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

- (ii) After entering these details appropriately, click on "SUBMIT" tab.
- (iii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (iv) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (v) Click on the EVSN of PPL.
- (vi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (vii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (viii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (ix) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (x) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xii) There is also an optional provision to upload BR/ POA if any uploaded, which will be made available to scrutinizer for verification.
- (xiii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at cs.sbhat@gmail.com and to the Company at the email address viz; cs.ppl@adventz.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

b. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM AND E-VOTING DURING THE MEETING ARE AS UNDER:

1. The procedure for attending meeting and e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for remote e-voting.
3. Shareholders who have voted through Remote e-voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops/iPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting with regard to the financial statements or any other matter to be placed at the AGM may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account

number/folio number, email ID, mobile number at cs.ppl@adventz.com

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending upon the availability of time.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

1. **For shareholders holding shares in physical mode**
- Please send duly filled Schedule Form, ISR-1 (available on the website of the Company at <https://www.paradeepphosphates.com/investors/kyc-compliance> along with requisite documents to the RTA of the Company i.e., MUFG Intime India Private Limited (Formerly Link Intime India Private Limited), Unit: Paradeep Phosphates Limited, C-101, Embassy 247, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083.
2. **For shareholders holding shares in Demat mode**
- Please contact your Depository Participant (DP) and register your email address and bank account details in your demat account, as per the process advised by your DP.

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

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

Notes



Registered Office

5th Floor, Bayan Bhavan, Pandit Jawaharlal Nehru Marg, Bhubaneswar - 751 001, Odisha.

The Address for Correspondence/Corporate Office

Paradeep Phosphates Limited, 3rd Floor, Adventz Centre, 28 Union Street,
Off Cubbon Road, Bengaluru- 560001, Karnataka
Email: cs.ppl@adventz.com