

ASIAN FERTILIZERS LIMITED



ANNUAL REPORT
2024-2025



THE COMPANY

We are a focused, innovative corporation with core competency in sulphuric acid and fertilizers. Our growth has been empowered by a steadfast and distinctive adherence to business ethics, transparent governance, and commitment to the highest social responsibility standards.

From a humble beginning in the 1990s, we have a team of hard-working people, technology, and entrepreneurial spirit.

Today, we touch the lives of hundreds of people by serving our customers in the areas of agriculture, chemicals and fertilizers industries, power generation industries, and many more.

Embracing the virtues of integrity, excellence, and commitment, we move ahead to take on the opportunities and challenges offered by the future. We are geared to transform into a truly global enterprise through a prudent mix of technical innovation and exceptional customer service delivery.

Our commitment to excellence and strong corporate governance guides us in this endeavor, as we look ahead at powerful growth and building a socially equitable, sustainable future.

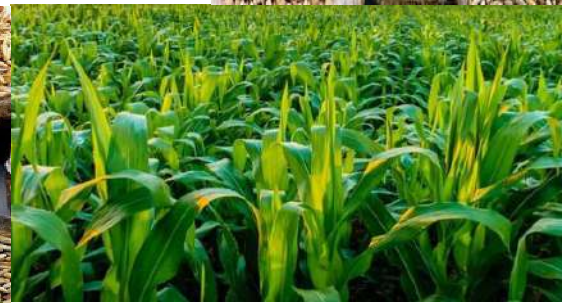


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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Amod Agarwal, Chairman/Independent Director
Mr. Ashok Kumar Matanhelia, Managing Director
Mr. Dinesh Agarwal, Independent Director
Mr. Sunil Kedia, Independent Director
Mr. Somil Matanhelia, Whole Time Director
Mr. Shobhit Matanhelia, Whole Time Director & CFO
Mrs. Usha Matanhelia, Women Director
Mrs. Kunika Meghani, Company Secretary & Compliance Officer

STATUTORY AUDITORS

M/s Kapoor Tandon & Associates
Chartered Accountant
Kanpur

INTERNAL AUDITOR

M/s Agarwal Saraf And Company
Chartered Accountant
Gorakhpur

COST AUDITOR

M/s K S Bhatnagar & Associates
Cost Accountant
New Delhi

SECRETARIAL AUDITOR

Awashesh Dixit, FCS
Kanpur

REGISTERED OFFICE

Flat No 202, Preet Garden
3A/172, Azad Nagar, Kanpur-208002

ADMINISTRATIVE OFFICE

PWD Officers Colony, Near Sahara Press,
Park Road, Gorakhpur-273009

FACTORY

Deokahiya, Sardar Nagar,
Gorakhpur

BANKERS

State Bank of India



DIRECTORS REPORT

Dear Member,

Your Directors are pleased to present the 40th Annual Report and the Company's Audited financial statement for the financial year ended March 31, 2025.

1. FINANCIAL RESULTS:

The Company's financial performance, for the year ended March 31, 2025 is summarized below:

PARTICULARS	Rs. in Lacs	
	2024-25	2023-24
REVENUE FROM OPERATION	6536.39	5223.88
OTHER INCOME	64.43	80.05
TOTAL EXPENDITURE	6564.73	5296.20
PROFIT BEFORE INTEREST, DEPRECIATION PRIOR PERIOD ITEMS & TAX (PBDIT)	209.64	180.87
LESS: FINANCE COSTS	131.87	128.38
LESS: DEPRECIATION & AMORTIZATION	41.68	44.75
PROFIT BEFORE EXCEPTIONAL/PRIOR PERIOD ITEMS & TAX	36.09	7.74
LESS: EXCEPTIONAL/PRIOR PERIOD ITEMS (NET)	0	0
PROFIT BEFORE TAXES (PBT) LE	36.09	7.74
SS: TAX EXPENSES (NET)	11.78	3.06
PROFIT FOR THE YEAR	24.31	4.68

FINANCIAL HIGHLIGHTS AND STATE OF COMPANY'S AFFAIRS:

The turnover of the Company was Rs. 6536.39 lakhs for the year ended March 31, 2025, increase of 25.13%, as compared to Rs. 5223.88 lakhs in the previous year. The Company's Profit from Operations for the year ended March 31, 2025, was Rs. 24.31 lakhs, a increase of 419.44%, as compared to Rs. 4.68 lakhs in the previous year.



2. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), is given in "Annexure I" to this Report.

3. DIVIDEND:

In order to conserve the resources of the Company the Board of directors has decided not to recommend any dividend for the financial year 2024-25.

4. AMOUNTS TRANSFERRED TO RESERVES:

The Board discussed and decided to transfer the profit of the year in reserves account.

5. ANNUAL RETURN:

Pursuant to the provisions of section 134 (3) (a) and section 92 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, annual return of the Company as at 31st March, 2025 is uploaded on the web site of the Company at www.asianfertilizers.com.

6. NUMBER OF BOARD MEETING:

Four meetings of the Board of Directors were held during the year as on 30.05.2024, 14.08.2024, 14.11.2024 and 14.02.2025.

S NO:	NAME OF DIRECTORS	DESIGNATION	NO. OF MEETINGS HELD	NO. OF MEETING ATTENDED
1.	Mr. Amod Agrawal	Chairman/ Independent Director	4	4
2.	Mr. Ashok Kumar Matanhelia	Managing Director	4	4
3.	Mr. Somil Matanhelia	Whole Time Director	4	4
4.	Mr. Shobhit Matanhelia	Whole Time Director	4	4
5.	Mr. Sunil Kedia	Independent Director	4	4
6.	Mrs. Usha Matanhelia	Women Director	4	4
7.	Mr. Dinesh Agarwal	Independent Director	4	4

Leave of absence was granted to the non-attending directors on their request and noted in the attendance register as well as in the minutes of the meetings.



7. ANNUAL GENERAL MEETING:

The Annual general meeting of the Company for the financial year 2023-24 was held on 30/09/2024.

8. RELATED PARTY CONTRACT AND ARRANGEMENT OF THE COMPANY:

All the related party transactions entered during the financial year 2024-25 were in the ordinary course of business of the Company and were on an arm's length basis. There were no materially significant related party transactions entered by the Company with Promoters, Directors, Key Managerial Personnel, or other persons whomay have a potential conflict with the interest of the Company.

All such Related Party Transactions are placed before the Audit Committee for approval, wherever applicable. Prior omnibus approval is obtained for the transactions that are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee every quarter, specifying the nature, value, and terms and conditions of the transactions for approval, wherever applicable. Prior omnibus approval is obtained for the transactions that are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee every quarter, specifying the nature, value, and terms and conditions of the transactions.

The policy on dealing with Related Party Transactions has been framed by the Board of Directors with the prior approval of the Audit Committee.

All related party transactions entered by the Company were in the ordinary course of business and were on an arm's length basis, form AOC-2 is annexed with this report as "ANNEXURE -II" to the Director's Report.

The details of the transactions with the Related Party are provided in the accompanying financial statements.

9. AUDITORS & AUDITORS' REPORT:

(a) Statutory Auditors & Audit Report:

Under provisions of Section 139 of the Act and Rules made thereunder, M/s Kapoor Tandon & Associates, Chartered Accountants, Kanpur were appointed as Statutory Auditors of the Company for a term of five years, to hold office from the conclusionof the 38th Annual General Meeting of the Company held on September 30, 2023, till the conclusion of the 43rd Annual General Meeting to be held in the year 2027. They have confirmed that they are not disqualified from continuing as Auditors of the Company.



M/s. Kapoor Tandon & Associates, Chartered Accountants, Kanpur submitted their report for the financial year ended March 31, 2025. The observations of the auditors are explained wherever necessary in inappropriate notes to the accounts. Also, there is no adverse comment in the Auditor's Report.

(a) Secretarial Auditor & Secretarial Audit Report:

The Board, on the recommendation made by the Audit Committee, had appointed Mr. Awashesh Dixit, Practicing Company Secretary, Kanpur to conduct a Secretarial Audit for the F.Y. 2024-25. The Secretarial Audit Report for the financial year ended March 31, 2025, is annexed with this report as ANNEXURE III" to this Report. The Secretarial Audit report contains few adverse remarks or disclaimers.

Replies of qualification marks in the Secretarial Audit Report are as follows.

(i) *The company has provided the facility of Demat of the shares to all the shareholders. However, the process of Demat of shareholding including promoters is in progress;*

The Demat of shares is in the process.

(ii) *The listing fee for the financial year 2024-2025 is pending due to the reason that the company has not received any invoice from the stock exchange for the payment made earlier.*

The Listing Fee is due to the reason that the company has not received any invoice from the stock exchange for the payment made earlier and also payments not showing in the GSTR-2B as we already shared the proof of payments with the BSE. For this Company communicates with BSE via mail or telephone regularly and will pay the listing fee after resolving the matter of invoices as due to this Company unable to claim ITC for previous years.

(iii) *Compliance strictly needs to adhere in terms of provision of regulation 3(5) and 3(6) of SEBI (Prohibition of Insider Trading) Regulation 2015 regarding the Structured Digital Data Base.*

Company is in the process of arranging software for Reg 3(5) and 3(6) of SEBI (Prohibition of Insider Trading) Regulation 2015 regarding the Structured Digital Database and till then Company maintain in-house data.

(iv) *The company file late e-FORM MGT 14 under section 179(3) of companies act 2013 read with rule 8 of companies (meeting of board and its power) rule 2014 for the purpose of appointment of Mr. Shobhit Matanhelia as chief financial officer (KMP) w.e.f. 14-08-2024 .*

Company filed E-Form MGT-14 for above said purpose with late fee for avoiding non-compliance.



- (v) *Delay to make the mandatory disclosure under regulation 30 of SEBI (LODR) read with clause 7 of Part A of schedule III for the appointment of Mr. Shobhit Matanhelia as chief financial officer of the company and resignation of Mr. Shashi Srivastava from the office of chief financial officer (KMP) w.e.f. 30-05-2024 as required under regulation 30 of SEBI (listing obligation and disclosure requirement) read with clause 7 (c) of Part A of schedule III.*

Due to some technical issue with BSE portal Company filed delay with followed sebi Regulations.

- (vi) *Delay in disclosure to the stock exchange as required under regulation 31(4) of SEBI (substantial acquisition of share and takeover) regulation 2011.*

The company is in the process of Revocation of shares, due to this promoters shares required some changes as per BSE. Therefore filing the annual disclosure under Reg 30(1) & 30(2) of SEBI(SAST), reg 2011 was delayed.

(c) Cost Auditor:

M/s K. S. Bhatnagar and Associates, Cost Accountants were appointed as the Cost Auditor of the Company for the financial year ended March 31, 2025, to conduct the audit of Cost records of the Company. They have been re-appointed as the Cost Auditor of the Company for the financial year ending on March 31, 2026. Pursuant to provisions of section 148(3) of the Act read with Companies (Audit and Auditors) Rules, 2014, as amended, the remuneration payable to Cost Auditors has to be ratified by the Members of the Company. Accordingly, the Board seeks ratification at the ensuing Annual General Meeting of the remuneration payable to the Cost Auditor for the financial year ending on March 31, 2025.

10. **PARTICULARS OF LOANS, GUARANTEES & INVESTMENTS UNDER SECTION 186:**

The Particulars of loans, Guarantees & Investments U/S 186, for the financial year 2024-2025 have been mentioned in the balance sheet attached with the report.

11. **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION:**

The Company would like to inform you that no material changes and



commitments affecting the financial position of the Company have occurred during the period from the end of the financial year till the date of this report.

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

a) Conservation of Energy

Since the operations of the Company are not energy-intensive, therefore it does not call for any steps to be taken.

Therefore clauses (i), (ii) & (iii) of Rule 8 are not applicable.

b) Technology Absorption

The Company has not imported any specific technology for its operations which are not updated in India.

13. RISK MANAGEMENT POLICY AND IDENTIFICATION OF KEY RISKS:

The Company would like to inform you that the risks which threaten the existence of the Company have been identified and accordingly a risk management framework has been created and adopted by the Company. Further, the internal auditor of the Company has been cast with the responsibility of monitoring this framework and reporting to the management the key risks affecting the business.

14. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

a. Appointment of Directors and Key Managerial Personnel

Mr. Shobhit Matanhelia, whole Time Director was appointed w.e.f. 14/08/2024 as Chief Financial Officer.

Mr. Shashi Srivastava, Chief Financial Officer of the Company resigned during the financial year 2024-25.

b. Retirement by Rotation:

Mr. Somil Matanhelia, (Whole Time Director), is liable to retire by rotation and being eligible offer himself for re-appointment in the ensuing AGM.

The brief resume of Mr. Somil Matanhelia, (Whole Time Director) of the Company, retiring by rotation but seeking re-appointment at the ensuing Annual General Meeting is the part of Annual Report. (Please see notes of AGM Notice)



15. INTERNAL FINANCIAL CONTROLS:

The existing internal financial control system is adequate and commensurate with the nature and size of the business of the Company. The internal auditors of the Company keep a follow up on the internal financial reporting and information dissemination of the Company between the departments. The Audit committee of the Company interacts from time to time with the internal auditors of the Company regarding the adequacy of the internal financial control system placed in the Company.

16. DECLARATION BY INDEPENDENT DIRECTOR:

All Independent Directors have given a declaration under Section 149(7) of the Companies Act 2013 that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

17. CSR ACTIVITIES:

Since the Company does not meet the criteria as defined under section 135 of the Companies Act, 2013 read with schedule. Therefore, the provisions relating to CSR Activities do not apply to the Company.

18. FORMAL ANNUAL EVALUATION OF THE BOARD OF DIRECTORS AND ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

a. Performance evaluation of the Board of Directors of the Company:

As per the evaluation criteria formulated by the Nomination and Remuneration Committee of the Board, the Board of the Company has evaluated its performance in the context of the Company's performance, status of compliance carried out, efforts made towards risk management, internal control, code of conduct followed and maintained by them, ethical standards met. Below are some of the criteria based on which Board has made its evaluation at specific intervals: 1) Size and composition of the Board of Directors of the Company as per Companies Act, 2013.

2) Diversity of thought, experience, knowledge, perspective and gender in the Board of Directors of the Company.

3) Maintaining transparency in the entire Board processes.

4) Any deviations, if any, from the set goals of the Board and steps taken to control such deviations.

5) Efficiency and effectiveness of the Board of Directors of the Company in carrying out its functions.



- 6) Timely flow of information among the Board of Directors.
- 7) Updation of knowledge of governing laws, rules and regulations.
- 8) Independent judgement of each matter placed before the Board of Directors.

After evaluating its own performance, Board is of the view that the performance of the Board of Directors as a whole was satisfactory during the financial year 2024-25.

b. Performance evaluation of the Committees of the Board of Directors of the Company:

The Board of Directors of the Company evaluated the performance of each of its committees based on various criteria such as the composition of the committee, quantum, and quality of information received by the committee members, time spent discussing the matter and reaching out to the final decision, efficiency and effectiveness of the decision making of the committee members, level of active participation of committee members, number of meetings attended by the members, presence of the Chairman of the committee.

Based on the above criteria and the working procedure established by the Board of Directors of the Company, the Board is of unanimous consent that all the committees of the Company are working satisfactorily.

c. Performance evaluation of the Independent Directors of the Company:

As per the criteria formulated by the Nomination and Remuneration Committee for the performance evaluation of Independent directors, the performance of each Independent director was evaluated by the entire Board of Directors but excluding the director being evaluated. While evaluating the following things were taken into consideration:

- 1) Application of Independent judgment while deciding part of the Board of Directors of the Company.
- 2) Exercise of the responsibility in a bona fide manner in the interest of the Company.
- 3) Attendance in the meetings of the Board of Directors and meetings of committees where an independent director is a member.
- 4) Active participation in the familiarization program conducted for the Independent Director.



d. Performance evaluation of each individual director of the Company:

Further, the Board evaluated during the year, the performance of each Director taking each of them as a separate individual, to judge the contribution and efforts made by them individually and the initiatives taken by them during the year. This helped the Board of Directors in deciding whether to extend the tenure of the director being evaluated.

19. COMMITTEES TO THE BOARD:

The Company has several Committees that have been established in Compliance with the requirements of the relevant provisions of applicable laws and statutes.

The Company has the following Committees of the Board:

A. Audit Committee

B. Nomination & Remuneration Committee

C. Stakeholders Relationship Committee

The details for the composition of the committees, No. and dates of the meeting of the committees and No. of meetings attended by each director of the relevant Committee are given in detail below.

(A) AUDIT COMMITTEE:

In compliance and as per the requirements of Section 177 of the Companies Act, 2013, an Audit Committee has been constituted to monitor and supervise the Company's financial reporting process to provide accurate, timely, and proper disclosures and financial reporting.

The Audit Committee consists of three directors out of which two are Independent Directors. Four meetings of the Audit Committee were held during the year on 30.05.2024, 14.08.2024, 14.11.2024, and 14.02.2025. During the year, all the recommendations made by the Audit Committee were accepted by the Board.

Composition and attendance in Committee meetings during the year:

COMMITTEE MEMBERS	NAME OF POSITIONS	MEETING HELD	MEETING ATTENDED
Mr . Amod Agrawal	Chairman / Independent	4	4
Mr . Somil Matanhelia	Member / Executive	4	4
Mr . Dinesh Agarwal	Member / Independent	4	4



*The Chairman of the Committee was present at the last Annual General Meeting held on 30th September, 2024.

a. ESTABLISHMENT OF VIGIL / WHISTLE BLOWER MECHANISM:-

The Company has established a vigil mechanism for directors and employees in compliance with the provisions of Subsection 9 of Section 177 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 to report genuine concerns. Vigil mechanism shall provide for adequate safeguards against victimization of persons who use such a mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

The Company promotes ethical behavior in all its business activities and in line with the best practices for corporate governance. It has established a system through which directors & employees may report breaches of code of conduct or suspected fraud, unethical business practices, illegality, fraud, and corruption, etc. at the workplace without fear of reprisal.

The Board designated and authorized Mr. Somil Matanhelia, Whole time Director of the Company as Vigilance and Ethics Officer and Chairman of the Audit Committee to oversee the vigil mechanism. The functioning of the Vigil mechanism is reviewed by the Audit Committee from time to time. It may be noted that if any of the members of the Committee do have a conflict of interest in any given case, he/she to recuse themselves, and the others on the Committee would deal with the matter at hand.

The Vigil mechanism shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairman of the Audit Committee in case of repeated frivolous complaints being filed by a Director or an employee, the Chairman of the Audit Committee may take suitable action against the concerned Director or employee including reprimand.

During the Financial Year 2024-2025 there was no complaint reported by any Director or employee of the Company under this mechanism.

(A) NOMINATION & REMUNERATION COMMITTEE:

The Nomination and remuneration committee consists of three Non-Executive Directors, and all are independent. During period 1 meetings of the Nomination and remuneration committee were held on 14.08.2024.



a. Composition and attendance in Committee meetings during the year:

NAME OF COMMITTEE MEMBERS	POSITIONS	MEETING HELD	MEETING ATTENDED
Mr .Amod Agrawal	CHAIRMAN/INDEPENDENT DIRECTOR	1	1
Mr . Dinesh Agarwal	MEMBER/INDEPENDENT DIRECTOR	1	1
Mr. Sunil Kedia	MEMBER/INDEPENDENT DIRECTOR	1	1

b. NOMINATION AND REMUNERATION POLICY OF THE COMPANY:

In compliance with the provisions of Section 178 of the Companies Act, 2013 the Nomination and Remuneration Committee of the Board of Directors has formulated a policy comprising the criteria for determining qualifications, positive attributes and independence of a director and remuneration for the directors, key managerial personnel and other employees, which have been approved and adopted by the Board. The criteria formulated by the Nomination and Remuneration Committee is duly followed by the Board of Directors of the Company while appointing the directors, Key Managerial Personnel and senior management personnel in the Company.

I. Criteria for appointment of Directors in the Company:

- 1) Person of integrity with high ethical standards.
- 2) A person with knowledge, skill, and innovative ideas that can be beneficial to the Company.
- 3) Interested in learning new things and updating the knowledge and skills possessed.
- 4) A person who can act objectively while exercising his duties.
- 5) Who believes in team spirit.
- 5) Who is responsible for the work and can devote sufficient time and attention to the professional obligations for informed and balanced decision-making

In respect of the Managing Director, Whole-time Director, and Independent Director, besides the general criteria laid down by the Nomination and Remuneration Committee for all directors, the criteria as mentioned in the Companies Act, 2013 have also been included.



II. Criteria for appointment of Key Managerial Personnel and Senior Management Employees:

- 1) The person should have the required educational qualification, skills, knowledge, and experience as required and necessary for the concerned post.
- 2) A person should be hardworking, self-motivated, and highly enthusiastic.
- 3) A person should have positive thinking, leadership qualities, sincerity, good soft skills, and the power of taking initiative.

III. Remuneration policy of the Company:

The Remuneration policy of the Company has been framed by the Nomination and Remuneration Committee in such a manner that it can attract and motivate the directors, key managerial personnel, and employees of the company to work in the interest of the Company and to retain them.

- 1) The company has a policy to pay remuneration in such a manner that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- 2) It has been ensured while formulating the policy that remuneration to directors, key managerial personnel, and senior management should involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company.
- 3) Remuneration to be paid to the Managing Director/Whole-time Director shall be within the limits specified under the Companies Act, 2013.
- 4) Increments to the existing remuneration may be recommended by the committee to the Board of Directors.

(C) STAKEHOLDERS RELATIONSHIP COMMITTEE:

In compliance with the provisions of the Companies Act, 2013, the Stakeholders Relationship Committee has been constituted by the Board for a speedy disposal of grievances/complaints relating to shareholders/investors. Four meetings of the



Committee were held during the year on 14.02.2025.

Composition and attendance in Committee meeting during the year:

Name of Committee Members	Positions	Meeting Held	Meeting Attended
Mrs. Usha Matanhelia	Chairman/Non-Executive Director	1	1
Mr. A. K. Matanhelia	Member/Executive Director	1	1
Mr. Sunil Matanhelia	Member/Independent Director	1	1
Mr. Somil Matanhelia	Member/Executive Director	1	1

20. COMPLIANCE OFFICER:

Mrs. Kunika Meghani, Company Secretary of the Company was designated as the Compliance Officer for complying with the requirements of the Securities Law and the Listing Regulation with the Stock Exchanges in India from 22.07.2021.

21. INVESTOR GRIEVANCE REDRESSAL:

The Committee specifically looks into the shareholder redressal and investor complaints on matters relating to refund orders, transfer of shares, sub-division, consolidation of share certificates, issue of duplicate share certificates, non-receipt of annual reports, non-receipt of declared dividends, etc. The company has registered with SCROES and designated an email id for investor@asianfertilizers.com.

In addition, the Committee advises on matters which can facilitate better investor services and relations.

TYPES OF COMPLAINT	NUMBER COMPLAINTS	OF
NO. OF COMPLAINTS RECEIVED	0	
NO. OF COMPLAINTS REDRESSED	0	
NO. OF COMPLAINTS REDRESSED	0	

22. POLICY ON INSIDER TRADING:

The Company follows a strict code on the prohibition of Insider Trading and the same has been detailed to all the directors, senior management, and employees of the Company and is available on the Company website www.asianfertilizers.com, and stock exchange website www.bseindia.com.



To ensure the same, the Company has formulated & adopted a code of practice & procedure for fair disclosure of Unpublished Price Sensitive Information as per SEBI (Prohibition of Insider Trading) Regulation, 2015, and available on the Company website www.asianfertilizers.com & stock exchange website www.bseindia.com.

23. CORPORATE GOVERNANCE:

The Provisions relating to Corporate Governance as enumerated in Regulation 27 of SEBI (Listing obligation & disclosure requirements) Regulation, 2015 do not apply to the Company.

Thus, the report on Corporate Governance needs not to be filed with the Stock Exchange.

24. DISCLOSURE RELATED TO EMPLOYEES:

1. The ratio of the remuneration of each director to the median employee(s) remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are open for inspection at the Administrative Office of the Company in terms of the first proviso of Section 136 (1) of the Companies Act 2013 during the business hours. Members who are interested in obtaining such particulars may write to the Company and the same will be furnished on request.
2. The provisions of Section 197 (12) and section 197(14) of the Companies Act, 2013, read with Rule 5 (2) and (3) of the Companies (Appointment and Remuneration) Rules, 2014 as amended, do not apply to the Company.

25. LEGAL FRAMEWORK AND REPORTING STRUCTURE:

The Company would like to inform you that a legal compliance tool has been installed vertically within the organization for monitoring and complying with all laws applicable to the Company. This tool is being overseen and supervised by the office of the Company Secretary. Further, the Company secretary has also been cast with the responsibility of providing a compliance certificate at the Board meetings held at the end of the quarters including the key non-compliances during the quarter.

26. COMPLIANCE OF SECRETARIAL STANDARDS:

During the financial year under review, the Company has complied with the applicable SS-1 (Secretarial Standard on Meetings of the Board of Directors), and SS-2 (Secretarial Standard on General Meetings) as issued by the Institute of Company Secretaries of India.



27. DIRECTORS' RESPONSIBILITY STATEMENT:

Under the requirements of Section 134(5) of the Companies Act, 2013, it is hereby confirmed that:-

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent 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 and loss of the Company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records under the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and were operating effectively; and
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

28. GENERAL:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
4. Change in the share capital of the Company.
5. Change in the nature of the business of the Company.
6. Details of the subsidiary, joint venture, or associate company.
7. Voluntary Revision of Financial Statements or Board's Report.
8. Amount transferred to investor education and protection fund.
9. The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.



10. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
11. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operations in the future.
12. No fraud has been reported by the Auditors to the Audit Committee or the Board.

29. ACKNOWLEDGMENTS:

The Directors would like to express their sincere appreciation for the cooperation and assistance received from the Authorities, Readers, Bankers, Credit Rating Agencies, Depositories, Stock Exchanges, Registrar and Share Transfer Agents, Associates as well as our Shareholders at large during the year under review.

The Directors also wish to place on record their deep sense of appreciation for the commitment, abilities, and hard work of all executives, officers, and staff who enabled the Company to consistently deliver satisfactory and rewarding performance even in challenging economic conditions.

Date: 29/05/2025

For and on behalf of the Board of Directors

Asian Fertilizers Limited
Sd/-

Ashok Kumar Matanhelia
Managing Director
DIN: 01763776
789, Ajay Khand,
Patrakar Puram,
Rapti Nagar,
Gorakhpur

Asian Fertilizers Limited
Sd/-

Somil Matanhelia
Whole Time Director
DIN: 01738413
789, Ajay Khand,
Patrakar Puram,
Rapti Nagar,
Gorakhpur



MANAGEMENT DISCUSSION AND ANALYSIS

1. Industry structure and developments:

Fertilizers enhance the growth of plants by supplying crucial nutrients to them. Some of the essential nutrients required by plants are:

Straight Fertilizers: N-Nitrogen, P-Phosphorous, K-Potassium

Secondary Fertilizers: CA-Calcium, Mg-Magnesium and S-Sulphur

Micronutrients- Cu-Copper, Fe- Iron, Mn- Manganese, Zn- Zinc, B-Boron etc.

Nitrogen, phosphorus, and potassium (NPK) are three major constituents of fertilizers. Nitrogen helps in leaf growth, phosphorus helps in the development of roots, flowers, seeds, and fruits and potassium helps in strong stem growth, movement of water in plants, and promotion of flowering and fruiting.

Due to the non-availability of Indigenous Rock Phosphate (32%), we depend on imported Rock Phosphate, which can be processed to give water-soluble phosphatic fertilizers. Single Super Phosphate is a cheap fertilizer and is also known as a common farmer's fertilizer.

Single super phosphate (SSP) is manufactured by carrying out a reaction of rock phosphate with Sulphuric acid for converting non-soluble phosphate (present in rock phosphate) into water-soluble phosphate which is called single super phosphate. It contains 14.5-16% water soluble phosphorous, 10-11% Sulphur, and 18- 21% Calcium. Straight Phosphatic 16% P₂O₅ Grade

The company started its manufacturing unit of single super phosphate (powderplant) in 1992 with a capacity of 66000 MT per annum while single super phosphate (Granulated plant) in 1993 with a capacity of 45000MT per annum and Sulphuric Acid in 1993 with a capacity of 33000MT per annum which is used for the production of SSP, in Village deokahiya, block Sardar Nagar, Tehsil chaurichaura, Gorakhpur, Uttar Pradesh.

Company sale fertilizers with its own brand name "PASHUPATI" and also company has made contract with one of the urea manufacturer Company named Matix Fertilizers and Chemicals for marketing/Sale in the state of UP, Bihar and West Bengal.

2. Opportunities and Threats:

Since the agriculture sector has its importance in the Indian economy, it is bound to grow and our product SSP has also its importance in the Agriculture sector.

Govt. of India has emphasized promoting SSP to fulfill the demand for phosphatic



fertilizers and also Fertilizers Association of India has organized farmers' meetings in all states of India to promote SSP and convince to farmers for use of SSP instead of DAP or other phosphatic fertilizers.

3. Segment-wise or product-wise performance:

Single Superphosphate: The Company produces single superphosphate in two categories: powder and granule. The company can achieve production of 21600.20 MT of Green SSP during the year 2024-25 against the targeted production of 46000 MT which is 49.96% of the targeted production and 32.73% of the installed capacity of 66000 MT. The company has dispatched 26874.35 MT during the year. Quantum-wise production of SSP was decreased as compared to previous year but Dispatches of SSP increase as compared to previous year.

Sulphuric Acid: The Company has produced Sulphuric acid for captive consumption and the excess quantity of Acid sold by the Company. The company can achieve the production of 26927.87 MT of Sulphuric acid during the year 2024-25 against the installed capacity of 33000 MT which is 81.60% of the installed capacity. The captive consumption of the Sulphuric Acid for production of SSP is 7737.70 MT and the sale of Sulphuric Acid was 31186.22 MT including trading. Quantum wise sale of Sulphuric acid has decreased during the year.

2. Outlook:

Agriculture has been playing a vital role in the Indian economy with its contribution to GDP. Around 49% of the Indian population is still dependent on agriculture and its allied activities for their livelihood. The growth rate in agriculture has been fluctuating and these uncertainties/ fluctuations in growth rate can be attributed to over-dependence on rains (around 60% of agriculture is still rainfall-dependent). One of the vital industries in the Indian economy is the fertilizer industry which serves as a very crucial raw material for agriculture. Fertilizer, alone accounts for a large subsidy, the second highest after food. Owing to poor monsoons in the last two years and low commodity prices, there was a slowdown in the fertilizer sector.

5. Risks and concerns:

(a) Government Policy:

This sector was operated in a highly regulated environment with a cost of production and selling prices being regulated by the Government of India.



Due to this reason, the fertilizer industry suffered from low profitability as compared to other sectors. Govt. imposed several regulations on prices, subsidies, imports, etc

There have been changes in regulations, and subsidy structure from time to time creating confusion and uncertainty among producers. In past years, govt. has decontrolled DAP, MOP, complex fertilizers, and SSP which will stimulate the growth of this industry and thereby ensure adequate supply of essential fertilizers to farmers.

Subsidy for P&K fertilizers is fixed and does not vary with market prices. Govt. does not regulate the import of DAP and MOP as it does for Urea. Govt. has decontrolled prices of P&K fertilizers, MRP is left open to manufacturers to decide and so domestic prices are decided by demand and supply. P&K fertilizers are less regulated compared to Urea, therefore P&K fertilizer producers can optimize operations, and improve the supply chain and product mix to earn better profits.

Considering all the issues relating to agriculture productivity, balanced fertilization, growth of the indigenous fertilizer industry, competitiveness amongst the fertilizer companies and to overcome the deficiency of the concession scheme, the Government introduced the Nutrient Based Subsidy (NBS) Policy for P&K fertilizers with an effective from 1.4.2010.

Under the NBS Policy, a fixed rate of subsidy (in Rs. per Kg basis) is announced on nutrients namely Nitrogen (N), Phosphate (P), Potash (K), and Sulphur (S) by the Government on an annual basis which is decided based on international prices, exchange rates, inventory and prevailing MRP, etc.

The Govt. of India has opened the MRP of SSP from 01/04/2011 and manufacturers are free to decide their rates up to a fixed limit.

(b) Development In Government Policy:

Investment required for setting up an SSP unit is modest compared to Nitrogenous fertilizers. The setup with indigenous technology depends on imported material because of the non-availability of good quality rock phosphate except from Rajasthan State Mines & Minerals Limited, a State Govt. Undertaking. The demand for fertilizers is likely to increase with the emphasis by the Govt. on augmenting agricultural produce.



The Govt. of India has notified that Imported Rock Phosphate from some countries for used in the production of SSP for competitive Production cost.

(c) Availability of Raw Material:

Rock Phosphate is imported from various countries by different dealers. There is a problem with the availability and hike of Prices of Raw Material.

(d) Subsidy on SSP:

The Govt. of India has introduced a nutrient-based subsidy policy for all types of fertilizers including SSP. The Govt. of India has a flexible subsidy for a whole year and for the reporting year subsidy was Rs. 4804/MT for SSP and Rs. 5304/MT for Zincated SSP till 30-09-2024 and then 5121/MT for SSP and Rs. 5621/MT for Zincated SSP till 31.03.2025.

6. Internal control systems and their adequacy:

In any industry, the processes and internal control systems play a critical role in the health of the Company. The Company's well-defined organizational structure, documented policy guidelines, defined authority matrix, and internal controls ensure efficiency of operations, compliance with internal policies and applicable laws and regulations as well as protection of resources. Moreover, the Company continuously upgrades these systems in line with the best available practices. The internal control system is supplemented by extensive internal audits, regular reviews by the management, and standard policies and guidelines to ensure the reliability of financial and all other records to prepare financial statements and other data.

7. Discussion on financial performance concerning operational performance:

The highlights of the company's performance for the year ended March 31, 2025, are as under:

Revenue from operation decreased by 25.13% to Rs. 6536.38 Lakhs.

PBDIT decreased by 15.91% to Rs. 209.64 Lakhs.

Profit before tax decreased by 366.15% to Rs. 36.08 Lakhs.

Net profit decreased by 419.44% to Rs. 24.31 Lakhs.

8. Material developments in the Human resources / Industrial Relations front, including the number of people employed:

Asian Fertilizers Limited is a knowledge-driven organization focused on judicious people recruitment and retention. The Company's HR function focuses on employee training, values inculcation, and enhanced functional expertise. The Company's key HR objective is to ensure that employees are aware of expected roles leading to organizational momentum.



The top management conducted several discussions with employees to discuss multiple issues including leadership qualities, values, responsibilities, workplace freedom, and empowered decision-making. Going ahead, the Company will continue to invest in people to strengthen its production processes, product quality, and service delivery. During the year under report, the Company also focused on the automation of key HR processes for employee benefit. The result of these initiatives was that the Company was able to keep its attrition levels well under control, much below the industry average. The company's head count stood at 20 as of 31st March 2024.



FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under the third proviso thereto.

A. Details of contracts or arrangements or transactions not at Arm's length basis.

S NO.	PARTICULARS	DETAILS
1.	NAME (S) OF THE RELATED PARTY & NATURE OF RELATIONSHIP	NIL
2.	NATURE OF CONTRACTS/ARRANGEMENTS/TRANSACTION	NIL
3.	DURATION OF THE CONTRACTS/ARRANGEMENTS/TRANSACTION	NIL
4.	SALIENT TERMS OF THE CONTRACTS OR ARRANGEMENTS OR TRANSACTION INCLUDING THE VALUE, IF ANY	NIL
5.	JUSTIFICATION FOR ENTERING INTO SUCH CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS.	NIL
6.	DATE OF APPROVAL BY THE BOARD	NIL
7.	AMOUNT PAID AS ADVANCES, IF ANY	NIL
8.	DATE ON WHICH THE SPECIAL RESOLUTION WAS PASSED IN GENERAL MEETING AS REQUIRED UNDER FIRST PROVISOR OF SECTION 188	NIL



B. Details of contracts or arrangements or transactions at Arm's length basis.

S NO.	PARTICULARS	DETAILS(1)	DETAILS(2)	DETAILS(3)	DETAILS(4)
A.	NAME (S) OF THE RELATED PARTY & NATURE OF RELATIONSHIP	M/S. PASHUPATI ENTERPRISES	M/S PASHUPATI ROADWAYS	MRS. USHA MATANHELIA	M/S. POORVANCHAL ACID PVT LTD.
C.	NATURE OF CONTRACTS / ARRANGEMENTS/TRANSACTION	LEASING OF PROPERTY	AVAILING SERVICES FOR TRANSPORTATION OF GOODS BY ROAD	RENT OF OFFICE BUILDING	TRADING BUSINESS
B.	DURATION OF THE CONTRACTS/ ARRANGEMENTS/ TRANSACTION	PERPETUAL DEED	PERPETUAL	RENT AGREEMENT	PERPETUAL
D.	SALIENT TERMS OF THE CONTRACTS OR ARRANGEMENTS OR TRANSACTION INCLUDING THE VALUE, IF ANY	RS. 3,00,000 / - Yearly	Rs. 137 Lacs	RS. 14.40 Lacs	RS. 187 Lacs
E.	DATE OF APPROVAL BY THE BOARD	13/02/2026	30/05/2016	18/05/2019	27/05/2022
F.	AMOUNT PAID AS ADVANCES, IF ANY	NO	NO	NO	NO

PLACE: GORAKHPUR

DATE: 29 / 05 / 2025

FOR & ON BEHALF OF THE BOARD OF DIRECTORS
ASIAN FERTILIZERS LIMITED

SD / -
ASHOK KUMAR MATANHELIA
MANAGING DIRECTOR
DIN: 01763776

SD / -
SOMIL MATANHELIA
WHOLETIME DIRECTOR
DIN: 01738413

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
For the Financial Year ended March 31, 2025

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

To,
The Members,
Asian Fertilizers Limited
Flat No. 202, Preet Garden 3A/172,
Azad Nagar, Kanpur - 208002, U.P.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Asian Fertilizers Limited (hereinafter called as “the Company”). The Secretarial Audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon. Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025 (“Audit Period”), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.



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

- (i) The Companies Act, 2013 ("the Act") and the rules made there under;
- (i) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made there under;
- (ii) The Depositories Act, 1996, and the Regulations and Bye-laws framed there under;
- (iii) Foreign Exchange Management Act, 1999, and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment, and External Commercial Borrowings (**Not applicable to the Company during the Audit Period**).
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"), as amended from time to time:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**Not applicable to the Company during the Audit Period**);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (**Not applicable to the Company during the Audit Period**);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not applicable to the Company during the Audit Period**);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client (**Not applicable to the Company during the Audit Period**);



(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period)**;

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

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

I further report that having regard to the compliance system prevailing in the Company and as certified by management and on examination of the relevant documents and records in pursuance thereof, on a text check basis, the Company has complied with the law applicable specifically to the Company named as under:

(a) The Boilers Act, 1923;

(b) The Environment Protection Act, 1986, and rules framed thereunder; and

(c) The National Green Tribunal Act, 2010, and other acts and rules related thereto.

I have also examined compliance with the applicable clauses of the following:

I. Secretarial Standards issued by the Institute of Company Secretaries of India (as amended from time to time);

II. The Listing Agreement as entered into by the Company with Stock Exchange(s).

During the Audit Period the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:



- i) *The company has provided the facility of Demat of the shares to all the shareholders. However, the process of Demat of share holding including promoters is in progress;*
- ii) *The listing fee for the financial year 2024-2025 is pending and the matter is in discussion with Stock Exchange .*
- iii) *Compliance strictly needs to adhere to the terms of the provision of regulations 3(5) and 3(6) of SEBI (Prohibition of Insider Trading) Regulation 2015 regarding the Structured Digital Data Base.*
- iv) *The Company file late e form MGT 14 under section 179(3) of the Companies Act, 2013 read with rule 8 of companies (meeting of board and its power) rule 2014 for the purpose of appointment of Mr. Shobhit Matanhelia as Chief Financial officer (KMP) w.e.f. 14.08.2024.*
- v) *Delay in disclosure to the stock exchange as required under regulation 31(4) of SEBI (substantial acquisition of share and takeover) regulation, 2011.*
- vi) *Delay to make the mandatory disclosure under regulation 30 of SEBI (LODR) read with clause 7 of part A of schedule III for the appointment of Mr. Shobhit Matanhelia as chief financial officer of the company and resignation of Mr. Shashi Srivastava from the office of chief financial officer (KMP) w.e.f. 30.05.2024 as required under regulation 30 of SEBI (listing obligation and disclosure requirement) read with clause 7(c) of part A of schedule III.*

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



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

All decisions at the Board Meeting and Committee Meeting have been carried out without dissent, as recorded in the minutes of the meetings of the Board or Committee of the Board, as the case may be.

I further report that there exist 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.

I further report that the trading in securities of the Company has been suspended since 2002 due to some penal provisions. However, the Company has complied with all the pending compliances and the application for revocation of suspension has been filed and is in process.

I have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliance under other applicable Acts/Laws/Regulations to the Company.

I further report that, during the audit period there were no instances of:

- (i) issue of public/right / Preferential Issue of shares/sweat equity, debentures etc;
- (ii) Redemption / Buyback of securities;



- (iii) major decisions were taken by the members in pursuance to section 180 of the Act;
- (iv) Merger/amalgamation / re-construction, etc;
- (v) Foreign technical collaboration.

Date: May 29, 2025

Place: Kanpur

UDIN:

Peer Reviewed Unit No. 2873/2023

Awashesh Dixit
Company Secretary

Sd/-

FCS No. 10860

C.P. No. 15398

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



INDEPENDENT AUDITOR'S REPORT

To

The Members of Asian Fertilizers Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Asian Fertilizers Limited ("the Company"), which comprise the Balance sheet as at March 31, 2025, and the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, thereof ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit, total comprehensive income, change in equity and its cash flows for the year ended on that date

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

Key Audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Description of key Audit Matter

Revenue recognition (refer notes 1-B-26 and 23 to the Financial Statements)

Revenue is measured net of volume discounts, price concessions, incentives, and returns, if any.

Due to the Company's presence across different marketing regions within the country and the competitive business environment, the estimation of the various types of discounts, rebates and incentives to be recognized based on sales made during the year is material and considered to be judgmental.

Therefore, there is a risk of revenue being misstated as a result of error in estimations of discounts, incentives and rebates.

Revenue is recognized when the control of the underlying products has been transferred to the customer. There is a risk of revenue being overstated due to fraud resulting from the pressure on management to achieve performance targets at the reporting period end.

How the matters was addressed in our audit procedure included:

- Assessing the appropriateness of the revenue recognition accounting policies, including those relating to discounts, rebates and incentives.

- Comparing the historical discounts, rebates and incentives. We also considered the historical accuracy of the Company's estimates in previous year(s).
- Checking of completeness and accuracy of the data used by the management for the purpose of calculation of the provision discounts, rebates and incentives and for sales returns and checking of its arithmetical accuracy.
- Comparison between the estimates in the past with subsequent actuals and analysis of the nature of any deviations to corroborate the effectiveness of the management estimation process.
- Considered the adequacy of the Company's disclosures in respect of revenue.

Information other than the Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Corporate Governance and Shareholder's information, but does not include financial statements, and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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.

Responsibility of Management for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, change in equity and

cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards 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 implementation and maintenance of accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparations and presentations of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements,

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a

material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in

(i) Planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may

reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.
3. Further to our comments in Annexure 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 purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statements of Profit and Loss (including other comprehensive income), the statement of cash flows and statement of change in equity dealt with by this Report are in agreement with the books of account;

- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as of March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and operating effectiveness of such controls, refer to our separate Report in “Annexure B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note no. 34 to the financial statements;
 - ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the investor education and protection fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“intermediaries”), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The Company has not declared and/or paid any dividend during the year. Hence, compliance of section 123 of the Act is not applicable during the year.
- vi. Based on our examination which included test checks, the Company has used an accounting software for maintain its books of accounts for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the Statutory requirements for record retention.

For Kapoor Tandon & Co.
Chartered Accountants
Firm Regd No. 000952C
Sd/-
(Divyank Nigam)

Partner

M. No. 438443

UDIN: 25438443BMIODG8344

Place: Kanpur

Date: 29.05.2025

Annexure A to the Independent Auditors' Report

(Referred to in paragraph 1 of our report of even date on the Ind AS financial statements for the financial year ended March 31, 2024 of Asian Fertilizers Limited)

In terms of the information and explanations sought by us and given by the company and the books of accounts and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situations of its property, plant and equipment;
(B) The Company has maintained proper records showing full particulars of Intangible assets;
(b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) Title deeds of all the immovable properties as disclosed in the financial statement are held in the name of the Company.
- (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made there under.
- (ii) (a) The inventories of the Company have been physically verified by the Management at reasonable interval during the year. In our opinion, the coverage and procedure of such verification is appropriate having regard to the size of the Company and nature of its operation. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on verification during the year when compared with books of account.

- (b) As disclosed in Note no. 49(e), the company has been sanctioned working capital limits in excess of five crore rupees from banks during the year on the basis of security of current assets. The quarterly return or statements filed by the company with banks are not in agreement with the books of account of the Company, the details are as under:

Quarter ending	Value as per Books Accounts	Value as per quarterly Return/ Statement filed with banks	Differences	Reason for Differences
June 30, 2024	2566.26	2472.96	93.30	The difference are there because the statement filed with the lenders are based on financial statements prepared on provisional basis.
September 30, 2024	2776.94	2718.78	58.16	
December 31, 2024	3705.43	3630.22	75.21	
March 31, 2025	2691.53	2804.33	112.80	

- (iii) The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:

- (a) The Company has granted loans and advances in the nature of loans to four parties. The details are as under:

(Rs. In lacs)

Name of the Company	Loan/ Guarantee	Balance as at 31.03.2025	Maximum amount outstanding during the year
Vibrant Laminate Pvt. Ltd.	Loan	517.08	517.08
Aditya Enterprises	Loan	5.03	5.03
Uttarak Industries Pvt. Ltd.	Loan	75.46	75.46
Poorvanchal Acid Pvt. Ltd.	Loan	76.80	76.80

- (b) The investments made and the terms and conditions of the loans granted are, prima facie, not prejudicial to the Company's interest.
- (c) As the loans are in the nature of demand loan, no schedule of repayment of principal and payment of interest has been specified.
- (d) In respect of loans granted by the Company in earlier years, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- (f) During the year, the Company has granted loan to one other related party as defined in clause (76) of section 2 of Companies Act, 2013 i.e. Vibrant Laminate Private Limited balance and Poorvanchal Acid Pvt. Ltd. The percentage thereof to the total loans outstanding as at the year-end works out to 88.06%.

- (iv) The Company has complied with the provisions of section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) In our opinion, the Company has not accepted any deposit or an amount deemed to be deposit during the year within the meaning of Section 73 to Section 76 of the Companies Act, 2013 (the Act) read with the Rules framed there under. Hence, paragraph 3(v) of the order is not applicable.
- (vi) We have broadly reviewed the books of account and records maintained by the Company pursuant to the Rules framed by the Central Government for the maintenance of cost records under sub section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed records have been made and maintained. We have not, however, made a detailed examination of the said accounts and records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the books and records produced and examined by us, the Company is generally regular in depositing undisputed Statutory dues including Goods and Service Tax (GST), Provident fund, Employees' state Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material Statutory dues as applicable with the appropriate authorities and no undisputed amount payable in respect of aforesaid statutory dues were outstanding as at March 31, 2025 for a period of more than six months from the date they become payable.
- (b) According to the information and explanation given to us, there are no dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax and GST which have not been deposited on account of any dispute, except mentioned as below:

Name of the Statute	Nature of the Dues	Amount (Rs. In Lacs)	Year (s) to which relates	Forum where pending
The Central excise Act, 1944	Penalty	5.00	2003-24	CESTAT, New Delhi
The UP Tax on Entry of Goods in Local Areas Act, 2001 (amended in 2007)	Entry Tax	2.48	2005-06	Allahabad High Court (Review petition filed)
	Entry Tax	3.07	2006-07	Allahabad High Court (Review petition filed)

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or on the payment of interest thereon to any lender during the year.
(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
(c) The term loans availed during the year were applied for the purposes for which loan were obtained.
(d) On an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.
(e) the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and hence reporting under clause 3(ix)(e) of the Order is not applicable.
(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, JV or associate Company and hence reporting under clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(b) of the Order is not applicable.
(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) No fraud by the company or any fraud on the Company has been noticed or reported during the year.
(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
(c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- (xii) The Company is not a “Nidhi Company”, hence paragraph 3(xii) the Order is not applicable.
- (xiii) In our opinion, transactions with the related parties are in compliance with section 177 and 188 of Act where applicable and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
(b) we have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion, the company has not entered into any non-cash transactions with directors or persons connected with him. Hence, paragraph 3(xv) the Order is not applicable.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The provisions of Corporate Social Responsibility (CSR) are not applicable to the company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For Kapoor Tandon & Co.
Chartered Accountants
Firm Regd No. 000952C
Sd/-

(Divyank Nigam)
Partner

Place: Kanpur
Date: 29.05.2025

M. No. 438443
UDIN: 24438443BKAVJF8633

Annexure B to the Auditors' Report

(Referred to in paragraph 3(f) of our report of even date on the Ind AS financial statements for the financial year ended March 31, 2024 of Asian Fertilizers Limited)

Report on the internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls with reference to financial statements of Asian Fertilizers Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI.

Those standards and the Guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining and understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company ; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

Also, projections of any evaluation of the internal financial controls over financial reporting to periods are subject to the risk that internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Kapoor Tandon & Co.,
Chartered Accountants
Firm Regd. No. 000952C

Sd/-
(Divyank Nigam)
Partner

M. No. 438443
UDIN: 25438443BMIODG8344

Place: Kanpur
Date: 29.05.2025

BALANCE SHEET AS AT MARCH 31, 2025

PARTICULARS		NOTE NO.	AS AT MARCH 31, 2025	AS AT MARCH 31, 2024
			RS IN LACS	RS IN LACS
ASSETS				
NON CURRENT ASSETS				
(a) Property, Plant & Equipment	2(a)		458.65	485.16
(b) Capital work in progress			164.04	139.18
(c) Other intangible Assets	2(b)		0.22	0.24
(d) Financial Assets				
(i) Investments	3		213.00	213.00
(ii) Other Financial Assets	4		36.91	56.70
(e) Other Non-Current Assets	5		12.59	12.60
CURRENT ASSETS				
(a) Inventories	6		1348.35	1433.66
(b) Financial Assets				
(i) Trade Receivables	7		493.18	526.92
(ii) cash & cash equivalents	8		39.48	23.85
(iii) Bank Balance other than (ii) above	9		74.94	31.18
(iv) Loans	10		674.37	420.85
(v) Other Financial Assets	11		5.55	2.94
			1287.52	1005.74
(c) Other Current Assets	12		936.13	380.31
TOTAL ASSETS			4457.41	3726.59
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share Capital	13		790.15	790.15
(b) Other Equity	14		1079.34	1045.35
			1869.49	1835.50
LIABILITIES				
Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	15		25.11	116.86
(b) Provisions	16		26.40	35.62
(c) Deffered tax liabilities(net)	17		18.26	17.95
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	18		1287.52	1179.81
(ii) Trade Payables	19			
-total outstanding dues of micro and small enterprises			4.98	0.16
-total outstanding dues of creditors other than micro and small enterprises			825.71	243.99
(iii) Other financial Liabilities	20		-	-
			2118.21	1423.96
(b) Other Current Liabilities	21		356.36	262.40
(c) Provisions	22		32.95	34.22
(d) current tax liabilities (net)			10.63	0.08
TOTAL EQUITY & LIABILITIES			4457.41	3726.59

Significant Accounting Policies 1

See accompanying notes to the financial statements

As per our attached report of even date

For Kapoor Tandon & Co.

Chartered Accountants

Firm Regd No. 000952C

Sd/-

Divyank Nigam

Partner

M. No. 438443

Place: Kanpur

Date: 29.05.2025

For & on Behalf of the Board

Sd/-

Ashok Kumar Matanhelia

Director

DIN: 01763776

Sd/-

Somil Matanhelia

Director

DIN:01738413

Sd/-

Shobhit Matanhelia

Chief Financial Officer

Sd/-

Kunika Meghani

Company Secretary

Statement of profit and loss for the year ended Mar 31, 2025

PARTICULARS	NOTE NO.	2024-25		2023-24	
		RS IN LACS	RS IN LACS	RS IN LACS	RS IN LACS
INCOME:					
Revenue from Operations:					
(a) Sales/ Income from operations	23(a)	4838.64		4120.47	
(b) Other Operating Revenue	23(b)	<u>1697.75</u>		<u>1103.41</u>	
			6536.39		5223.88
Other Income	24		80.05		80.05
Total Income			<u>6600.82</u>		<u>5303.93</u>
EXPENSE:					
Cost of material consumed	25		3452.05		3284.18
Purchase of stock in trade	26		925.90		901.86
Changes in inventories of finished goods, work in progress and stock-in-trade	27		(577.48)		(517.00)
Employee Benefit Expenses	28		350.95		373.02
Finance Costs	29		131.87		128.38
Depreciation & Amortization Expenses	30		41.68		44.75
Other Expenses	31		1084.82		1081.00
Total Expenses			<u>6564.75</u>		<u>5296.19</u>
Profit before Exceptional items and tax			36.07		7.74
Exceptional Items			-		-
Profit before Tax			36.07		7.74
Tax expense:					
1. Current Tax			14.73		3.60
2. Deffered Tax			(2.95)		(1.72)
3. Tax adjustment relating to earlier years			<u>-</u>		<u>1.18</u>
			11.78		3.06
Profit for the period			24.29		4.68
Other comprehensive income					
(i) Items that will not be reclassified to profit or loss					
(a) Re-measurement of the defined benefit plans			12.96		(0.12)
(ii) Income ta related to items that will not be reclassified to profit or loss			<u>(3.26)</u>	(9.70)	<u>0.03</u>
					(0.09)
Total comprehensive income for the period			33.99		4.59
Earning per equity share	32				
(Face Value per Share Rs. 10/-)					
1. Basic			0.31		0.06
2. Diluted			0.31		0.06
Significant Accounting Policies	1				
See accompanying notes to the financial statements					
As per our attached report of even date					
For Kapoor Tandon & Co. Chartered Accountants Firm Regd No. 000952C Sd/- Divyank Nigam Partner M. No. 438443		For & on Behalf of the Board Sd/- Ashok Kumar Matanhelia Director DIN: 01763776 Sd/- Shobhit Matanhelia Chief Financial Officer			
		Sd/- Somil Matanhelia Director DIN:01738413 Sd/- Kunika Meghani Company Secretary			
Place: Kanpur Date: 29.05.2025					

Statement of changes in Equity for the year ended March 31, 2025

A. Equity Share Capital

Particulars	Rs. in Lacs
Balance as at April 01, 2021	790.15
Changes in Equity Share Capital due to prior period errors	-
Restated balance as at April 01, 2021	790.15
Changes in equity share capital during the year	-
Balance as at March 31, 2022	790.15
Balance as at April 01, 2022	790.15
Changes in Equity Share Capital due to prior period errors	-
Restated balance as at April 01, 2022	790.15
Changes in equity share capital during the year	-
Balance as at March 31, 2023	790.15
Restated balance as at April 01, 2023	790.15
Changes in equity share capital during the year	-
Balance as at March 31, 2024	790.15
Changes in equity share capital during the year	-
Balance as at March 31, 2025	790.15

B. Other Equity

Particulars	Rs. In Lacs			
	Reserve and Capital Reserve	Surplus Retained Earnings	OCI Remeasurement of DBP	Total other equity
Balance as at march 31, 2022	20.00	860.02	1.28	881.30
Profit for the year	-	161.11	-	161.11
Addition during the year	-	-	(1.65)	(1.65)
Balance as at March 31, 2023	20.00	1021.13	-0.37	1040.76
Profit for the year	-	4.68	-	4.68
Addition during the year	-	-	(0.09)	(0.09)
Balance as at March 31, 2024	20.00	1025.81	-0.46	1045.35
Profit for the year	-	24.29	-	24.29
Addition during the year	-	-	9.70	9.70
Balance as at March 31, 2025	20.00	1050.10	9.24	1079.34

Significant Accounting Policies

1

See accompanying notes to the financial statements

As per our attached report of even date

For Kapoor Tandon & Co.

Chartered Accountants

Firm Regd No. 000952C

Sd/-

Divyank Nigam

Partner

M. No. 438443

Place: Kanpur

Date: 29.05.2025

For & on Behalf of the Board

Sd/-

Ashok Kumar Matanhelia

Director

DIN: 01763776

Sd/-

Shobhit Matanhelia

Chief Financial Officer

Sd/-

Somil Matanhelia

Director

DIN:01738413

Sd/-

Kunika Meghani

Company Secretary

Statement of cash flow for the year ended Mar 31, 2025

PARTICULARS	NOTE NO.	AS AT MAR 31, 2025	AS AT MAR 31, 2024
		RS IN LACS	RS IN LACS
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before tax		36.07	7.74
Adjustment for:			
Depreciation/ Amortisation		41.68	44.75
Profit on sale of Property, Plant & Equipment		-	-
Interest Income		(5.33)	(6.08)
Finance Cost		131.87	128.38
Provision for Doubtful Debts (including ECL)			3.60
Remeasurement of net defined benefit plans		12.96	(0.12)
Operating profit before working capital changes		217.25	178.27
Changes in working capital:			
(Increase)/Decrease in trade receivables		33.74	(177.57)
(Increase)/Decrease in inventories		85.31	(25.25)
(Increase)/Decrease in other non current financial assets		19.79	(9.11)
(Increase)/Decrease in other current financial assets		(2.61)	(0.57)
(Increase)/Decrease in other non current assets		-	(0.90)
(Increase)/Decrease in other assets		(555.82)	(24.39)
Increase/(Decrease) in trade payables		586.54	(78.81)
Increase/(Decrease) in other financial liabilities		-	-
Increase/ (Decrease) in other current liabilities		93.96	116.43
Increase/(Decrease) in Provisions		(10.49)	5.61
Cash generated from operations		(467.67)	(17.76)
Income taxes refunded/ (paid), net		(4.19)	3.16
Net Cash generated from operating activities		(463.48)	(14.60)
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Property Plant & Equipment		(39.99)	(135.07)
(Increase)/Decrease in loans & advances		(253.52)	(56.61)
Proceeds from sale of property, plant and equipment		-	-
Purchase of Investment		-	-
Interest received		5.33	6.08
Increase/(Decrease) in other bank balances (Margin Money)		(43.76)	45.21
Net cash (used in)/generated from investing activities		(331.94)	(140.39)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from long-term loans		-91.76	68.77
Repayment of long-term loans		-	-
Proceeds/(repayment) from/of short term borrowings		107.72	217.62
Finance costs paid		(131.87)	(128.38)
Net cash used in financing activities		(115.91)	158.01
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
		15.63	3.02
Cash and cash equivalents at the beginning of the year		23.85	20.83
Cash and cash equivalents at the end of the year		39.48	23.85
(refer Note No. 8 for break-up)		-	-

Material Accounting Policies

1

See accompanying notes to the financial statements

As per our attached report of even date

For Kapoor Tandon & Co.
Chartered Accountants
Firm Regd No. 000952C
Sd/-
Divyank Nigam
Partner
M. No. 438443

Place: Kanpur
Date: 29.05.2025

For & on Behalf of the Board

Sd/-	Sd/-
Ashok Kumar Matanhelia	Somil Matanhelia
Director	Director
DIN: 01763776	DIN:01738413
Sd/-	Sd/-
Shobhit Matanhelia	Kunika Meghani
Chief Financial Officer	Company Secretary

Notes forming part of the financial statement for the year ended March 31, 2025

Note 1:

A. CORPORATE INFORMATION

Asian Fertilizers Limited (“the Company”) is a public limited company with its registered office situated at Flat No. 202, Preet Garden 3A/172, Azad Nagar, Kanpur - 208002 (Uttar Pradesh) was incorporated on January 06, 1986.

The principal activity of the Company is the manufacturing of Fertilizers. The financial statements were approved for issue in accordance with a resolution of the directors on May 29, 2025.

B. MATERIAL ACCOUNTING POLICIES

1. Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015, and other relevant provisions of the Act. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations requires a different treatment.

2. Basis of preparation

The financial statements have been prepared on the historical cost convention on an accrual basis except for the following assets and liabilities which have been measured at fair value amount:

i) Defined benefit plans

Historical cost is generally based on the fair value of the consideration given in exchange for goods or services.

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, regardless of whether that price is directly observable or estimated using another valuation technique.

3. Operating Cycle for current and non-current classification

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

An asset is classified as current when it is:

- a) expected to be realized or intended to be sold or consumed in the normal operating cycle,
- b) held primarily for the purpose of trading,
- c) expected to be realized within twelve months after the reporting period, or
- d) cash or cash equivalents unless restricted from being exchanged or used
- e) to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current. A liability is classified as current when:

- a) it is expected to be settled in the normal operating cycle,
- b) it is held primarily for the purpose of trading,
- c) it is due to be settled within twelve months after the reporting period, or
- d) there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle of the Company, that is, the time between the acquisition of assets for processing and their realization in cash or cash equivalent is 12 months.

Deferred tax assets and liabilities are classified as non-current.

4. The company's financial statements are presented in Indian Rupees, which is also its functional currency.

5. Critical estimate and Judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates, and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

The areas involving critical estimates or judgments are:

- Employee benefits (estimation of defined benefit obligation)
Post-employment benefits represent obligations that will be settled in the future and require assumptions to project benefit obligations. Post-employment benefit accounting is intended to reflect the recognition of future benefit costs over the employee's approximate service period, based on the terms of the plans and the investment and funding decisions made. The accounting requires the Company to make assumptions regarding variables such as discount rate and salary growth rate. Changes in these key assumptions can have a significant impact on the defined benefit obligations.
- Estimation of expected useful lives of property, plant, and equipment Management reviews its estimate of the useful lives of property, plant, and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant, and equipment.
- Contingencies
Legal proceedings covering a range of matters are pending against the Company. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcome. The cases and claims against the Company often raise difficult and complex factual and legal issues that are subject to many uncertainties and complexities, including but not limited to the facts and circumstances of each particular case/claim, the jurisdiction and the differences in applicable law. In the normal course of business, the Company consults with legal counsel and other experts on matters related to litigations. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible or an estimate is not determinable, the matter is disclosed.
- Valuation of deferred tax assets
Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax bases that are considered temporary in nature. The valuation of deferred tax assets is dependent on management's assessment of the future recoverability of the deferred benefit.

Expected recoverability may result from expected taxable income in the future, planned transactions, or planned optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

- Fair value measurements

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques, including the market multiples model (Market Approach) and Capitalisation method (Income Approach) which involve various judgments and assumptions.

- impairment of Property, plant and equipment, Right-of-use assets, intangible assets (other than goodwill), and Capital work-in-progress

The Company estimates the value in use of the cash-generating unit (CGU) based on future cash flows after considering current economic conditions and trends, estimated future operating results and growth rates and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The cash flows are discounted using a suitable discount rate in order to calculate the present value.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets.

Revisions to accounting estimates are recognized prospectively in the period in which the estimate is revised if the revision affects only that period; they are recognized in the period of the revision and future periods if the revision affects both current and future periods.

6. Property, plant, and equipment (PPE)

Property, plant, and equipment are stated at cost, net of recoverable taxes, trade discounts, and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost, and any cost directly attributable to bringing the assets to their working condition for its intended use, net charges on foreign exchange contracts, and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognized as separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Assets are classified into the appropriate categories of property, plant, and equipment when completed and ready for intended use.

Expenses incurred relating to the project, including borrowing cost and net income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work - in Progress.

Spare parts are capitalized when they meet the definition of PPE, i.e., when the Company intends to use these during more than a period of 12 months.

7. Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Property, plant, and equipment are stated at cost, net of recoverable taxes, trade discounts, and rebates less accumulated depreciation and impairment losses, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant, and equipment recognized on 1st April 2016 measured as per the previous GAAP. Such cost includes purchase price, borrowing cost, and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts, and adjustments arising from exchange rate variations attributable to the assets.

An item of property, plant, and equipment or any significant part initially recognized of such item of property plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is unrecognized.

8. Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation has been provided on such cost of assets less their residual values on straight line method on the basis of estimated useful life of assets as prescribed in Schedule II of the Act.

Freehold land is not depreciated/amortized.

Assets held under financial leases are depreciated over their expected useful lives on the same basis as owned assets or, wherever shorter, the term of the relevant lease.

Depreciation is calculated on a pro-rata basis except that, assets costing up to Rs. 5,000 each are fully depreciated in the year of purchase.

The estimated useful lives and methods of depreciation of property, plant, and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

9. Intangible Assets

Intangible Assets are stated at the cost of acquisition net of recoverable taxes, trade discount, and rebates less accumulated amortization/depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts, and adjustments arising from exchange rate variations attributable to the intangible assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

Gains or losses arising from the 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.

Intangible assets being computer software are amortised on a straight line method over the period of five years.

10. Impairment of tangible and intangible assets other than goodwill

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use.

Impairment loss is recognized when the carrying amount of an asset exceeds recoverable amount.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased.

If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

11. Leases

Company as a Lessee

The Company assesses whether a contract contains a lease, at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a defined period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

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 at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the 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 the lease term.

The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the 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. For leases with reasonably similar characteristics, the Company, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments and lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option;

The lease liability is measured at amortized cost using the effective interest method.

The Company has elected not to recognize right-of-use assets 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 a straight-line basis over the lease term.

The Company applied a single discount rate to a portfolio of leases of similar assets in a similar economic environment with a similar end date.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalized within property, plant, and equipment and depreciated over its useful economic life. Payments received under operating leases are recognized in the Statement of Profit and Loss on a straight-line basis over the term of the lease.

12. Inventories

Inventories are valued at cost or net realizable value, whichever is lower. The basis for determining the cost for various categories of inventory are as follows:

- (a) Raw materials, Chemicals, Components, stores & spares, and Stock in Trade - Cost includes the cost of purchase (Net of recoverable taxes) and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a FIFO basis.
- (b) Stock in process and finished goods- Direct cost plus an appropriate share of overheads.
- (c) Saleable Scrap/Waste/By-products - At estimated realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

13. Foreign Currencies

a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR/Rupees), which is the Company's functional and presentation currency.

b) Transaction and balances

Transactions in foreign currencies are recorded on initial recognition at the exchange rate prevailing on the date of the transaction.

Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit & Loss either under the head foreign exchange fluctuation or interest cost, as the case may be, except those relating to long-term foreign currency monetary items.

14. Investment in Subsidiaries and Associates

Investments in subsidiaries, associates, and other related parties are carried at cost less accumulated impairment, if any.

15. Fair Value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market which can be accessed by the Company for the asset or liability.

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.

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

16. Financial Assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit and loss.

Debt instruments at amortized cost

Debt instruments such as trade and other receivables, security deposits, and loans given are measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- 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 amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss.

Equity investments

All equity investments in the scope of Ind-AS 109 are measured at fair value. Equity instruments that are held for trading are classified as at FVTPL. For all other equity instruments, the company decides to classify the same either as at FVTOCI or FVTPL. The company makes such an election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit or loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's Balance Sheet) 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:
 - The Company has transferred substantially all the risks and rewards of the asset, or
 - The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognised in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognised and accumulated in OCI are not reclassified to profit or loss on de-recognition.

17. Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- b) Financial assets measured at fair value through other comprehensive income.

In case of other assets (listed as a) above), the company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

18. Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ losses are not subsequently transferred to profit or loss. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Financial Liabilities at amortised cost

Financial liabilities classified and measured at amortised cost such as loans and borrowings are initially recognized at fair value, net of transaction cost incurred. After initial recognition, financial liabilities are subsequently measured at amortised cost using the Effective interest rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

DE-recognition

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

19. Derivative financial instruments

The Company uses derivative financial instruments to manage the commodity price risk and exposure on account of fluctuation in interest rate and foreign exchange rates. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value with changes being recognized in Statement of Profit and Loss. 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 through profit and loss.

20. Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any differences between the proceeds (net of transaction costs) and the redemption amount is recognized in Profit or loss over the period of the borrowing using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case, the fee is deferred until the drawdown occurs.

The borrowings are removed from the Balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability that has been extinguished or transferred to another party and the consideration paid including any noncash asset transferred or liabilities assumed, is recognized in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability of at least 12 months after the reporting period. Where there is a breach of a material provision 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 on the reporting date, the entity

does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statement for issue, not to demand payment as a consequence of the breach.

21. Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset upto the date of capitalization of such asset is added to the cost of the assets.

Interest income earned on temporary investment of specific borrowing pending expenditure on qualifying asset is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are expensed in the period in which they occur.

22. Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company, or the counterparty.

23. Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

24. Provisions, Contingent liabilities and Capital Commitments

Provisions are recognized when there is a present obligation (legal or

constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

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 recognized as a finance cost.

Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured with sufficient reliability. Information on contingent liability is disclosed in the Notes to the Financial Statements.

Contingent assets are not recognized but disclosed when the inflow of economic benefits is probable. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognized as an asset.

25. Government Grant

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. A government grant that becomes receivable as compensation for expenses or losses incurred in previous period(s). Such a grant is recognized in profit or loss of the period in which it becomes receivable.

Government grants shall be recognized in profit or loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate.

Government grants related to assets are presented in the balance sheet as deferred income and is recognized in profit or loss on a systematic basis over the expected useful life of the related assets or other relevant basis.

Government grants by way of financial assistance on the basis of certain qualifying criteria are recognized as they become receivable.

In the unlikely event that a grant previously recognized is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognized is expensed in the Statement of Profit and Loss.

26. Revenue RecognitionSale of Goods

Revenue is recognized upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods.

Revenue from the sale of goods is recognized at the point in time when control is transferred to the customer which is usually on dispatch / delivery of goods, based on contracts with the customers.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

Revenue from the sale of goods excludes amounts collected on behalf of third parties, such as Goods & Services Tax (GST).

Interest Income

Interest income is accrued on using on a time basis by the effective interest rate with reference to the principal outstanding.

Dividend Income

Dividend income from investments is recognized when the shareholder's right to receive payment has been established.

Other Income

Other income is accounted for on accrual basis except where the receipt of income is uncertain and, in such case, it is accounted for on receipt basis.

27. Employee benefits

The Company makes contributions to both defined benefit and defined contribution schemes which are mainly administered through/by duly constituted and approved Trusts and the Government.

Defined Contribution Scheme

In case of provident fund administered through Regional Provident Fund Commissioner, the Company has no obligation, other than the contribution payable to the provident fund.

In case of members of constituted and approved trusts, the Company recognizes contribution payable to such trusts as an expense including any shortfall in interest between the amount of interest realized by the investment and the interest payable to members at the rate declared by the Government of India.

The Company's contributions paid / payable during the year to provident fund administered through Approved Trust, Regional Provident Fund Commissioner, Superannuation Fund and Employees' State Insurance Corporation are recognized in the Statement of Profit and Loss as an expense when employees have rendered services entitling them to contributions.

Defined Benefit Scheme

Gratuity: Cost of providing the Benefit is determined on an actuarial basis at the end of the year and charged to Statement of Profit and Loss. The cost of providing these benefits is determined by independent actuary using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses and the effect of the asset ceiling, (excluding amounts included in net interest on the net defined benefit liability and return on plan assets), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. It is included in retained earnings in the statement of changes in equity and in the balance sheet.

Leave encashment: Accrued Leaves are encashed annually at the end of the calendar year and not accumulated. Provision for the same is done on the basis of leaves accrued as at the end of the reporting period.

28. Research and Development Expenditure

Expenditure on research of revenue nature is charged to Statement of Profit and Loss and that of capital nature is capitalized as fixed assets.

29. Taxes on Income

Current tax is the amount of tax payable determined in accordance with the applicable tax rates and provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilized. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

Current and deferred taxes relating to items directly recognized in reserves are recognized in reserves and not in the Statement of Profit and Loss.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as a deferred tax asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

30. Dividend Distribution

Dividends paid (including income tax thereon) is recognized in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

31. Cash Flow Statement

Cash flows statement is prepared as per the Indirect Method specified in Ind AS 7 on Cash Flows. Cash and cash equivalents (including bank balances) shown in statement of cash flows exclude item which are not available for general use on the date of balance sheet.

32. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extra-ordinary items (if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

33. Segment Reporting

Operating segments are reported in consistent manner with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the Company.

34. 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. For the year ended March 31, 2025, MCA has notified amendments to Ind AS-117 insurance Contracts. Ind AS 116- Leases, relating to sale and lease back transactions and consequential amendments to other standards which are not material, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

On 7 May, 2025, MCA issued the Companies (Indian Accounting Standards) Amendment Rules, 2025, which made certain amendments to Ind AS 21 The Effects of Changes in Foreign Exchange Rates, effective from 1 April, 2025. These amendments define currency exchange ability, provide guidance on estimating spot exchange rates when a currency is not exchangeable and include related disclosure requirements. The Company does not expect this amendment to have any significant impact in its financial statements.

ASIAN FERTILIZERS LIMITED

Notes forming part of the financial statements for the year ended March 31, 2025

2 Property, plant & equipment, Intangible assets and Capital Work in Progress (CWIP)

(Rs. In lacs)

Particulars	A. Property, plant and equipment								B. Intangible Assets		Total (A + B)	Capital work in progress
	Freehold land	Factory building	Other buildings	Plant & Equipment	Furniture & Fixtures	Office Equipment	Vehicle	Total (A)	Computer Software (Bought Out)	Total (B)		
Gross carrying value*												
As at March 31, 2020	39.92	163.46	49.56	320.28	3.82	23.37	80.67	681.08	0.65	0.65	681.73	-
Additions	-	-	-	1.58	1.05	5.07	-	7.70	-	-	7.70	7.84
Adjustment/(Deletions)	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2021	39.92	163.46	49.56	321.86	4.87	28.44	80.67	688.78	0.65	0.65	689.43	7.84
Additions	-	-	-	27.23	2.49	3.11	12.61	45.44	-	-	45.44	1.08
Adjustment/(Deletions)	-	-	-	-	-	-	-	-	-	-	-	8.92
As at March 31, 2022	39.92	163.46	49.56	349.09	7.36	31.55	93.28	734.22	0.65	0.65	734.87	-
Additions	-	-	-	30.81	0.05	6.62	40.54	78.02	-	-	78.02	44.74
Adjustment/(Deletions)	-	-	-	-3.19	-	-	-	(3.19)	-	-	-3.19	-
As at March 31, 2023	39.92	163.46	49.56	376.71	7.41	38.17	133.82	809.05	0.65	0.65	809.70	44.74
Additions	-	-	-	34.53	-	3.88	2.04	40.45	0.18	0.18	40.63	94.44
Adjustment/(Deletions)	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2024	39.92	163.46	49.56	411.24	7.41	42.05	135.86	849.50	0.83	0.83	850.33	139.18
Additions	-	-	-	10.98	0.17	4.00	-	15.15	-	-	15.15	24.86
Adjustment/(Deletions)	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2025	39.92	163.46	49.56	422.22	7.58	46.05	135.86	864.65	0.83	0.83	865.48	164.04
Accumulated Depreciation/Amortisation												
As at March 31, 2020	-	43.53	4.35	72.27	1.69	13.46	32.71	168.01	0.45	0.45	168.46	-
Depreciation for the year	-	10.88	1.09	24.23	0.54	4.50	9.32	50.56	0.13	0.13	50.69	-
Adjustment/(Deletions)	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2021	-	54.41	5.44	96.50	2.23	17.96	42.03	218.57	0.58	0.58	219.15	-
Depreciation for the year	-	10.88	1.09	24.70	0.64	3.68	9.36	50.35	-	-	50.35	-
Adjustment/(Deletions)	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2022	-	65.29	6.53	121.20	2.87	21.64	51.39	268.92	0.58	0.58	269.50	-
Depreciation for the year	-	10.88	1.09	26.65	0.77	4.43	9.07	52.89	-	-	52.89	-
Adjustment/(Deletions)	-	-	-	-2.21	-	-	-	(2.21)	-	-	-2.21	-
As at March 31, 2023	-	76.17	7.62	145.64	3.64	26.07	60.46	319.60	0.58	0.58	320.18	-
Depreciation for the year	-	4.44	1.09	21.00	0.63	4.72	12.88	44.74	0.01	0.01	44.75	-
Adjustment/(Deletions)	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2024	-	80.61	8.71	166.64	4.27	30.79	73.34	364.34	0.59	0.59	364.93	-
Depreciation for the year	-	3.14	1.09	21.01	0.58	4.15	11.69	41.66	0.02	0.02	41.68	-
Adjustment/(Deletions)	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2025	-	83.75	9.80	187.65	4.85	34.94	85.03	406.00	0.61	0.61	406.61	-
Net Carrying amount												
As at March 31, 2020	39.92	119.93	45.21	248.01	2.13	9.91	47.96	513.07	0.20	0.20	513.27	-
As at March 31, 2021	39.92	109.05	44.12	225.36	2.64	10.48	38.64	470.21	0.07	0.07	470.28	7.84
As at March 31, 2022	39.92	98.17	43.03	227.89	4.49	9.91	41.89	465.30	0.07	0.07	465.37	-
As at March 31, 2023	39.92	87.29	41.94	231.07	3.77	12.10	73.36	489.45	0.07	0.07	489.52	44.74
As at March 31, 2024	39.92	82.85	40.85	244.60	3.14	11.26	62.52	485.16	0.24	0.24	485.40	139.18
As at March 31, 2025	39.92	79.71	39.76	234.57	2.73	11.11	50.83	458.65	0.22	0.22	458.87	164.04

(i) The Company has adopted carrying value as recognized in the financial statement as at March 31, 2016, measured as per Previous GAAP as its deemed cost. Accordingly, its Net Block as on March 31, 2016 is its Gross Block under Ind AS. Further additions thereafter has been included in Gross Block.

(ii) The management has carried out an exercise of identifying the asset that may have been impaired, during the year, in respect of each cash generating unit. On the basis of review carried out by the management, there was no impairment loss on fixed assets during the year.

(iii) Capital-Work-in Progress (CWIP)

(Rs. In lacs)

(a) Ageing schedule for Capital-work-in progress

Particulars	Amount in CWIP for a period of				Total	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Projects in progress	24.86	94.44	44.74	-	164.04	94.44	44.74	-	-	139.18
(ii) Projects temporarily suspended					-					-
Total	24.86	94.44	44.74	-	164.04	94.44	44.74	-	-	139.18

(b) CWIP, whose completion is overdue or has exceeded its cost compared to its original plan:

NIL

NIL

(iv) Intangible assets under development (Intangible CWIP)

NIL

NIL

Notes forming part of the financial statements for the year ended March 31, 2025

3. Financial Assets: Investments- Non-Current

Particulars	As at Mar 31, 2025		As at Mar 31, 2024	
	No. of Shares	Rs. in Lacs	No of Shares	Rs. in Lacs
Equity Shares Unquoted				
RELATED PARTIES				
(i) Vibrant Laminate Private Limited				
Equity Shares of Rs. 10/- each fully paid	1330000	133.00	1330000	133.00
(ii) Purvanchal Acid Private Limited				
Equity Shares of Rs. 10/- each fully paid	800000	80.00	-	80.00
		<u>213.00</u>		<u>213.00</u>
Agreegate Book Value of Quoted Investments		NIL		NIL
Market Value of Quoted Investments		N.A.		N.A.
Agreegate Book value of Unquoted Investments		213.00		213.00

4. Other Financial Assets

Particulars	As at Mar 31, 2025		As at Mar 31, 2024	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
<i>Unsecured considered good</i>				
Security Deposits		36.91		56.70
Total		<u>56.70</u>		<u>47.59</u>

5. Other Non current Assets

Particulars	As at Mar 31, 2025		As at Mar 31, 2024	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
<i>Unsecured considered good</i>				
Income Tax Refund Receivable		12.59		12.60
Capital Advances		-		-
Total		<u>12.59</u>		<u>12.60</u>

6. Inventories (At cost or net realisable value whichever is lower)

Particulars	As at Mar 31, 2025		As at Mar 31, 2024	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Raw Materials		712.59		182.40
(including Goods in Transit Nil previous year Nil)				
Work in Progress		356.33		916.57
Finished Goods		136.44		153.68
(including Goods in Transit Nil previous year Nil)				
Trading Items		20.97		20.97
Store and Spares		112.02		150.04
Scrap		10.00		10.00
Total		<u>1348.35</u>		<u>1433.66</u>

(a) Inventories are hypothecated against borrowings from banks as referred in Note no. 12

(b) During the year Rs. NIL Lacs (Nil) was recognised as expense towards write-down of inventory.

7. Financial Assets- Current: Trade Receivables

Particulars	As at Mar 31, 2025		As at Mar 31, 2024	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Unsecured				
Secured Considered Good	-		-	
Unsecured Considered Good	493.18		526.92	
Unsecured which have significant increase in credit risk	-		-	
Unsecured credit impaired	<u>34.62</u>		<u>33.07</u>	
		527.80		559.99
Less: Impairment loss allowance				
Provision for Expected Credit Loss (ECL)		<u>34.62</u>		<u>33.07</u>
Total		<u>493.18</u>		<u>526.92</u>

(a) Receivables are hypothecated against borrowings from banks as referred in Note No. 17.

(b) Trade Receivables ageing Schedule:

Particulars	NOT DUE	OUTSTANDING FROM DUE DATE/DATE OF TRANSACTION					Total
		Less than 6 months	6 months - 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	
As at March 31, 2025							
Undisputed Trade Receivables							
(i) Considered Good	269.82	95.10	60.38	12.30	5.92	49.66	493.18
(ii) Which have significant increase in credit risk		7.72	6.71	2.17	1.48	16.54	34.62
(iii) Credit impaired		(7.72)	(6.71)	(2.17)	(1.48)	(16.54)	(34.62)
Disputed Trade Receivables							
(i) Considered Good		-	-	-	-	-	-
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-	-
Total	269.82	95.10	60.38	12.30	5.92	49.66	493.18
As at March 31, 2024							
Undisputed Trade Receivables							
(i) Considered Good	306.31	135.46	20.48	8.77	0.64	55.26	526.92
(ii) Which have significant increase in credit risk		16.72	2.79	1.32	0.13	12.11	33.07
(iii) Credit impaired		(16.72)	(2.79)	(1.32)	(0.13)	(12.11)	(33.07)
Disputed Trade Receivables							
(i) Considered Good		-	-	-	-	-	-
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-	-
Total	306.31	135.46	20.48	8.77	0.64	55.26	526.92

8. Financial Assets-Current: Cash & Cash Equivalents

Particulars	As at Mar 31, 2025		As at Mar 31, 2024	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Balances with Banks				
On current accounts		0.22		0.95
Cash in hand		39.26		22.90
Total		39.48		23.85

9. Financial Assets- Current: Bank Balances other than Cash & Cash Equivalents

Particulars	As at Mar 31, 2025		As at Mar 31, 2024	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Margin Money deposits		74.94		31.18
(restricted, held as lien against bank guarantees and working capital loan facility)				
Total		74.94		31.18

10. Financial Assets- Current: Loans

Particulars	As at Mar 31, 2025		As at Mar 31, 2024	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
<i>Unsecured considered good</i>				
Other Loans		674.37		420.85
Total		674.37		420.85

11. Other Current Financial Assets

Particulars	As at Mar 31, 2025		As at Mar 31, 2024	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
<i>Unsecured Considered Good</i>				
Interest accrued on deposits with banks		5.55		2.94
Total		5.55		2.94

Notes forming part of the financial statements for the year ended March 31, 2025

12. Other Current Assets

Particulars	As at Mar 31, 2025		As at Mar 31, 2024	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
<i>Unsecured Considered Good</i>				
Advances to trade creditors		64.93		48.88
Advance recoverable in cash or kind or for value to be received		9.95		10.67
Other claims/ Receivables		852.36		318.69
Prepaid Expenses		<u>8.89</u>		<u>2.07</u>
Total		<u>936.13</u>		<u>380.31</u>

13. Equity Share Capital

Particulars	As at Mar 31, 2025		As at Mar 31, 2024	
	No. of Shares	Rs. in Lacs	No. of Shares	Rs. in Lacs
Authorised				
Equity Shares of Rs. 10/- each	<u>10000000</u>	<u>1000.00</u>	<u>10000000</u>	<u>1000.00</u>
Issued				
Equity Shares of Rs. 10/- each	<u>7901500</u>	<u>790.15</u>	<u>7901500</u>	<u>790.15</u>
Subscribed and fully paid-up				
Equity Shares of Rs. 10/- each	<u>7901500</u>	790.15	<u>7901500</u>	790.15
Total		<u>790.15</u>		<u>790.15</u>

(A) Reconciliation of the number of equity shares and share capital

Particulars	As at Mar 31, 2025		As at Mar 31, 2024	
	No of Shares	Rs. in lacs	No. of Shares	Rs. in Lacs
Subscribed and fully paid up equity shares				
Outstanding at the beginning of the year	7901500	790.15	7901500	790.15
Changes during the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Outstanding at the end of the year	<u>7901500</u>	<u>790.15</u>	<u>7901500</u>	<u>790.15</u>

(B) Detail of shares held by promoters:

S. Name of the Promoter No.	As at Mar 31, 2025		As at Mar 31, 2024		Changes during the year	
	No of Shares	% of Shares held	No of Shares	% of Shares held	Changes during the year No of shares	%
1. Ashok Kumar Matanhelia	359510	4.55	359510	4.55	-	-
2. Usha Matanhelia	150010	1.90	150010	1.90	-	-
3. Somil Matanhelia	319400	4.04	319400	4.04	-	-
4. Rachana Matanhelia	185800	2.35	185800	2.35	-	-
5. Shobhit Matanhelia	436600	5.53	436600	5.53	-	-
6. Parmeshwari Devi Matanhelia	10000	0.13	10000	0.13	-	-
7. Pramod Matanhelia	40000	0.15	40000	0.15	-	-
8. Veena Devi Matanhelia	15900	0.20	15900	0.20	-	-
9. Durga Prasad Matanhelia	40000	0.51	40000	0.51	-	-
10. Savitri Devi Matanhelia	10000	0.13	10000	0.13	-	-
11. Pankaj Kumar Matanhelia	20000	0.25	20000	0.25	-	-
12. Manoj Kumar Matanhelia	20200	0.26	20200	0.26	-	-
13. Shyam Sunder Kedia	14300	0.18	14300	0.18	-	-
14. Jugal Kishore Modi	199600	2.53	199600	2.53	-	-
15. Manoj Kumar	35300	0.45	35300	0.45	-	-
16. AjayShanker Agarwal	19900	0.25	19900	0.25	-	-
17. Krishna Murarilal Agarwal	16700	0.21	16700	0.21	-	-
18. Krishna Murarilal Agarwal	8200	0.10	8200	0.10	-	-
19. Krishna Murarilal Aron	13800	0.17	13800	0.17	-	-
20. Kum Chetna K Agarwal	7400	0.09	7400	0.09	-	-
21. Jibralter Traders Limited	339300	4.29	339300	4.29	-	-
22. Atit Commercial Co. Pvt Ltd	<u>254700</u>	<u>3.22</u>	<u>254700</u>	<u>3.22</u>	<u>-</u>	<u>-</u>
Total	<u>2516620</u>	<u>31.85</u>	<u>2516620</u>	<u>31.85</u>	<u>-</u>	<u>-</u>

Notes forming part of the financial statements for the year ended March 31, 2025

S. Name of the Promoter No.	As at Mar 31, 2025		As at Mar 31, 2024		Changes during the year	
	No of	% of Shares	No of	% of Shares	Changes during the year	
	Shares	held	Shares	held	No of shares	%
1. Ashok Kumar Matanhelia	359510	4.55	359510	4.55	-	-
2. Usha Matanhelia	150010	1.90	150010	1.90	-	-
3. Somil Matanhelia	319400	4.04	319400	4.04	-	-
4. Rachana Matanhelia	185800	2.35	185800	2.35	-	-
5. Shobhit Matanhelia	436600	5.53	436600	5.53	-	-
6. Parmeshwari Devi Matanhelia	10000	0.13	10000	0.13	-	-
7. Pramod Matanhelia	40000	0.15	40000	0.15	-	-
8. Veena Devi Matanhelia	15900	0.20	15900	0.20	-	-
9. Durga Prasad Matanhelia	40000	0.51	40000	0.51	-	-
10. Savitri Devi Matanhelia	10000	0.13	10000	0.13	-	-
11. Pankaj Kumar Matanhelia	20000	0.25	20000	0.25	-	-
12. Manoj Kumar Matanhelia	20200	0.26	20200	0.26	-	-
13. Shyam Sunder Kedia	14300	0.18	14300	0.18	-	-
14. Jugal Kishore Modi	199600	2.53	199600	2.53	-	-
15. Manoj Kumar	35300	0.45	35300	0.45	-	-
16. AjayShanker Agarwal	19900	0.25	19900	0.25	-	-
17. Krishna Murarilal Agarwal	16700	0.21	16700	0.21	-	-
18. Krishna Murarilal Agarwal	8200	0.10	8200	0.10	-	-
19. Krishna Murarilal Aron	13800	0.17	13800	0.17	-	-
20. Kum Chetna K Agarwal	7400	0.09	7400	0.09	-	-
21. Jibraltar Traders Limited	339300	4.29	339300	4.29	-	-
22. Atit Commercial Co. Pvt Ltd	254700	3.22	254700	3.22	-	-
Total	2516620	31.85	2516620	31.85	-	-

(C)Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the shareholders' approval in the Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

	2024-25		2023-24	
	%age	(no. of shares)	%age	(no. of shares)
(D)Details of shareholders holding more than 5% shares in the Company				
Shobhit Matanhelia	5.53%	436600	5.53%	436600
(E)Equity Shares allotted as fully paid pursuant to contract(s) without payment being received in cash during the immediately preceding five years		NIL		NIL
(F)Equity Shares allotted as fully paid-up Bonus Shares during the immediately preceding five years		NIL		NIL
(G) Equity shares buy-back in the immediately preceding five years		NIL		NIL
(H) Shares held by holding/ultimate holding Company and/or their subsidiaries/associates		NIL		NIL

14. Other equity

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
	Rs. in Lacs	Rs. in Lacs
Capital Reserve	20.00	20.00
Retained Earnings	1059.34	1025.35
Total	1079.34	1045.35

(A) Capital Reserve
It represents the gain of capital nature.

(B) Retained Earnings
Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends paid, or other distributions out of reserve to shareholders.

Notes forming part of the financial statements for the year ended March 31, 2025

15. Borrowing

Particulars	As at Mar 31, 2025 Rs. in Lacs	As at Mar 31, 2024 Rs. in Lacs
Secured		
Vehicle Loan from Bank	-	2.56
SBI Guaranteed Emergency Credit Line (GECL)	<u>25.11</u>	<u>114.30</u>
Total	<u>25.11</u>	<u>116.86</u>

(i) Vehicle Loan is secured by the first charge on the Car financed and is repayable in Equated Monthly Instalments (EMIs). It carries interest of 9.65% p.a.

(ii) SBI (GECL) loan is secured against factory land and building situated at mauza Deokahi, Tappa Keotali, Pargana Haveli, Tehsil Chauri Chaura, Distt Gorakhpur. Loan carries interest @ (EBLR) + 75 bps at present 7.40% p.a. subject to maximum 9.25% p.a. loan is repayable in 36 instalments starting from October 2021.

(iii) SBI TL A/c 41586436329 is secured against factory land & building situated at mauza Deokahi, Tappa Keotali, Pargana Haveli, Tahsil Chauri Chaura, Distt Gorakhpur. Loan carries interest @ (EBLR)+1 bps at present 9.90% p.a. Loan repayable in 84 instalments starting from October 2023.

(iv) Amount of default as on the Balance Sheet date:

(a) Repayment of loan	NIL	NIL
(b) Interest on loan	NIL	NIL

16. Deferred tax liabilities (Net)

Particulars	As at Mar 31, 2025 Rs. in Lacs	As at Mar 31, 2024 Rs. in Lacs
<i>Tax effect of items constituting deferred tax liability</i>		
On difference between book balance and tax balance of fixed assets	<u>43.41</u>	<u>43.84</u>
Total tax effect of items constituting deferred tax liability	<u>43.41</u>	<u>43.84</u>
<i>Tax effect of items constituting deferred tax assets</i>		
Provision for leave encashment	1.07	0.97
Provision for gratuity	14.11	16.60
Provision for MSME Disallowance	1.26	
Provision for bad debts	<u>8.71</u>	<u>8.32</u>
Total tax effect of items constituting deferred tax assets	<u>25.15</u>	<u>25.89</u>
Net Deferred Tax Liability	<u>18.26</u>	<u>17.95</u>

17. Non-current Provision

Particulars	As at Mar 31, 2025 Rs. in Lacs	As at Mar 31, 2024 Rs. in Lacs
(a) Provision for Gratuity	26.40	35.62
Total	<u>26.40</u>	<u>35.62</u>

18. Financial Liabilities- Current: Borrowings

Particulars	As at Mar 31, 2025 Rs. in Lacs	As at Mar 31, 2024 Rs. in Lacs
Secured		
Working Capital loans from banks	196.88	1030.16
Unsecured loan from Directors		
Ashok Matanhelia	191.64	25.37
Current maturities of long-term borrowings	<u>99.00</u>	<u>124.28</u>
Total	<u>1287.52</u>	<u>1179.81</u>

Amount of default as on the Balance Sheet date:

(a) Repayment of Loan	NIL	NIL
(b) Interest on Loan	NIL	NIL

Security

(a) Working capital facilities are secured by the first charge on all the current assets of the company and certain assets of the director. Loan is further secured by the personal guarantee of promoter directors. It carries interest of 7.40% to 8.65% p.a. as at the end of the year.

Notes forming part of the financial statements for the year ended March 31, 2025
19. Financial Liabilities- Current: Trade Payable

Particulars	As at Mar 31, 2025 Rs. in Lacs	As at Mar 31, 2024 Rs. in Lacs
(a) Dues to micro and small enterprises (refer note below)	4.98	0.16
(b) Due to parties other than micro and small enterprises	<u>825.71</u>	<u>243.99</u>
Total	<u>830.69</u>	<u>244.15</u>

Trade payable ageing Schedule:
Rs. in Lacs

Particulars	NOT DUE	OUTSTANDING FROM DUE DATE/DATE OF TRANSACTION				Total
		Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	
As at March 31, 2025						
Undisputed dues						
(i) MSME (Micro and small entities)	4.98					4.98
(ii) Others	702.53	91.21	25.29	1.18	5.50	825.71
Disputed Dues						
(i) MSME (Micro and small entities)	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
Total	707.51	91.21	25.29	1.18	5.50	830.69
As at March 31, 2024						
Undisputed dues						
(i) MSME (Micro and small entities)	0.16					0.16
(ii) Others	116.15	116.93	6.08	-	4.83	243.99
Disputed Dues						
(i) MSME (Micro and small entities)	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
Total	116.31	116.93	6.08	-	4.83	244.15

Note: The Company has requested confirmation from Suppliers regarding their registration (filing of Memorandum) under the Micro, Small and Medium Enterprises Development Act, 2006 (the MSMED Act). According to the information available with the company, the following disclosures has been made in respect of dues to Micro and Small Enterprises:

Particulars	As at Mar 31, 2025 Rs. in Lacs	As at Mar 31, 2024 Rs. in Lacs
(a) Principal amount and interest due thereon remaining unpaid to any supplier at the end of the year		
Principal amount	4.98	0.16
Interest due on above	1.39	1.39
(b) Amount of interest paid by the company in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during the year	NIL	NIL
(c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	NIL	NIL
(d) the amount of interest accrued and remaining unpaid at the end of the year	1.39	1.39
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above the actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	NIL	NIL

20. Financial Liabilities- Current: Other Financial Liabilities

Particulars	As at Mar 31, 2025 Rs. in Lacs	As at Mar 31, 2024 Rs. in Lacs
(a) Interest accrued and due on borrowings	-	-
(b) Interest accrued but not due on borrowings	-	-
Total	<u>-</u>	<u>-</u>

Notes forming part of the financial statements for the year ended March 31, 2025**21. Other Current Liabilities**

Particulars	As at Mar 31, 2025 Rs. in Lacs	As at Mar 31, 2024 Rs. in Lacs
(a) payable for capital goods	-	-
(b) Security deposit from customers	1.87	2.94
(c) Advance from customers	209.78	164.12
(d) Other Liabilities	144.71	95.34
Total	<u>356.36</u>	<u>262.40</u>

22. Current liabilities: Provisions

Particulars	As at Mar 31, 2025 Rs. in Lacs	As at Mar 31, 2024 Rs. in Lacs
(a) Provision for Gratuity	28.71	30.36
(b) Provision for leave encashment	<u>4.24</u>	<u>3.86</u>
Total	<u>32.95</u>	<u>34.22</u>
(a) Provision for tax	14.73	
(b) Less: Adv Tax (Including TDS)	<u>4.14</u>	<u>10.59</u>

23. Revenue from operations

Particulars	2024- 2025 Rs. in Lacs	2023- 2024 Rs. in Lacs
(a) Sale of product	4838.64	4120.47
(b) Other operating revenue	1697.75	1103.41
Revenue from operations	<u>6536.39</u>	<u>5223.88</u>
(c) <u>Breakup of sales</u>		
(i) SSP Fertilizers	2311.66	1389.25
(ii) Sulphuric Acid & Micro Nutrients	1326.11	1370.73
(iv) Trading item	1115.42	1020.82
(v) Revenue from Transportation	<u>85.45</u>	<u>339.67</u>
Total	<u>4838.64</u>	<u>4120.47</u>
(d) <u>Details of other operating revenue</u>		
(i) Subsidy	<u>1697.75</u>	<u>1103.41</u>
Total	<u>1697.75</u>	<u>1103.41</u>

24. Other Income

Particulars	As at Mar 31, 2025 Rs. in Lacs	As at Mar 31, 2024 Rs. in Lacs
(a) Interest Income		
- from fixed deposit with Banks	5.33	6.08
- from Others	55.84	53.89
(b) Miscellaneous Income	0.26	17.08
(c) Profit on sale of fixed assets	-	-
(d) Rent	3.00	3.00
Total	<u>64.43</u>	<u>80.05</u>

Notes forming part of the financial statements for the year ended March 31, 2025**25. Cost of material consumed**

Particulars	2024- 2025		2023- 2024	
	Rs. in Lacs	Rs in Lacs	Rs in Lacs	Rs. in Lacs
(a) Raw Material Consumed				
(i) Rock Phosphate (Indigenous)	-		-	
(ii) Rock Phosphate (imported)	1836.13		2118.98	
(iii) Sulphur	1362.78		985.15	
(iv) Micronutrients' Raw Materials'	<u>79.39</u>		<u>2.52</u>	
		3278.30		3106.65
(b) Stores & Spares Consumed		88.10		111.88
(c) Packing Materials Consumed		<u>85.65</u>		<u>65.65</u>
Total		<u>3452.05</u>		<u>3284.18</u>

26. Purchase of Stock in Trade

Particulars	2024- 2025		2023- 2024	
	Rs. in Lacs		Rs. in Lacs	
(a) Purchase of Sulphuric Acid	775.23		773.05	
(b) Purchase of Spent	33.21		25.30	
(c) Purchase of Sulphur	<u>117.46</u>		<u>103.51</u>	
Total	<u>925.90</u>		<u>901.86</u>	

27. Decrease/ (Increase) in inventories

Particulars	2024- 2025		2023- 2024	
	Rs. in Lacs	Rs in Lacs	Rs. in Lacs	Rs in Lacs
Inventories at the commencement of the year				
(a) Finished Goods	153.68		453.56	
(b) Work in Process	916.57		102.19	
(c) Stock in Trade	20.97		20.97	
(d) Scrap	<u>10.00</u>		<u>7.50</u>	
Total		1101.22		584.22
Inventories at the end of the year				
(a) Finished Goods	136.44		153.68	
(b) Work in process	356.33		916.57	
(c) Stock in trade	20.97		20.97	
(d) Scrap	<u>10.00</u>		<u>10.00</u>	
		<u>523.74</u>		<u>1101.22</u>
Decrease/ (Increase) in Stocks (A-B)		<u>(577.48)</u>		<u>(517.00)</u>

28. Employee benefit expense

Particulars	2024- 2025		2023-2024	
	Rs. in Lacs		Rs. in Lacs	
(a) Salary, Wages and Bonus	168.48		204.62	
(b) Directors Remuneration	141.75		134.25	
(c) Contribution to Provident and other funds	5.15		6.87	
(d) Defined benefit plan expenses- Gratuity	10.59		6.23	
(e) Security Expenses	17.70		16.20	
(f) Workmen and Staff Welfare expenses	<u>7.28</u>		<u>4.85</u>	
Total	<u>350.95</u>		<u>373.02</u>	

29. Finance cost

Particulars	2024-2025		2023-2024	
	Rs in Lacs	Rs in Lacs	Rs in Lacs	Rs in Lacs
Interest on				
- Term Loan	0.35		2.04	
- Others	<u>118.36</u>		<u>108.84</u>	
		118.71		110.88
Bank Charges		<u>13.16</u>		<u>17.50</u>
Total		<u>131.87</u>		<u>128.38</u>

Notes forming part of the financial statements for the year ended March 31, 2025

30. Depreciation and Amortisation Expenses

Particulars	2024- 2025 Rs. in Lacs	2023- 2024 Rs. in Lacs
(a) Depreciation/ Amortisation on Tangible Assets	41.66	44.74
(b) Amortisation of Intangible assets	<u>0.02</u>	<u>0.01</u>
Total	<u>41.68</u>	<u>44.75</u>

31- Other expenses

Particulars	2024- 2025		2023- 2024	
	Rs. in Lacs	Rs in Lacs	Rs. in Lacs	Rs in Lacs
Power and Fuel		349.22		250.08
Repairs and Maintenance				
- Building	0.90		0.91	
- Machinery	<u>39.68</u>	40.58	<u>39.73</u>	40.64
Rent		29.74		16.62
Rates and Taxes		5.78		7.78
Insurance		1.65		5.50
Communication Cost		2.09		2.62
Traveling and Conveyance		36.91		37.82
Repairs and Maintenance-others		11.59		17.41
Printing and Stationery		2.72		1.95
Legal and Professional Charges		11.34		11.45
Listing Fees		3.25		3.25
Sitting Fee		4.30		4.70
Auditor's Remuneration (refer note below)		1.50		1.50
Cost Audit fee		0.70		0.70
Forwarding Expenses		560.77		666.21
Business Promotion		15.75		3.74
Advertisement and Publicity		1.45		1.97
Charity & Donation		0.34		0.08
Provision for Expected Credit Loss		1.56		3.60
Miscellaneous Expenses		<u>3.58</u>		<u>3.38</u>
Total		<u>1084.82</u>		<u>1081.00</u>

(a) Auditor's Remuneration Comprises:

As Auditor	1.00	1.00
For other services	<u>0.50</u>	<u>0.50</u>
	<u>1.50</u>	<u>1.50</u>

32. Earning per share (EPS)

(a) Profit for the year (Rs in Lacs)	24.29	4.68
(b) Weighted average number of equity shares for the purpose of calculation of Basic and Diluted EPS (in nos)	7901500	7901500
(c) Normal value of equity shares (Rupee)	10.00	10.00
(d) EPS- Basic and diluted (rs per share)	0.31	0.06

33. Capital and other commitments

Particulars	March 31, 2025	March 31, 2024
(i) Estimated value of contracts remaining to be executed on capital account (net of advances)	NIL	NIL
(ii) Other Commitments	NIL	NIL

Notes forming part of the financial statements for the year ended March 31, 2025

Particulars	March 31, 2025	March 31, 2024
34. Contingent liabilities		
i. Claim against the company not acknowledged as		
- Excise duty including penalty (under litigation)	5.00	5.00
- Commercial tax (Entry Tax)	5.55	5.55
- Others	152.51	152.51
ii. Guarantees given by Banks	100.00	100.00

35. Disclosure pursuant to Ind AS 19 "Employee Benefits":

(a) Defined Contribution Plan

The employees of the Company are members of a state-manged retirement benefit plan namely Provident fund and Pension and Employee State Insurance (ESI) operated by the Government of India. The company must contribute a specified percentage of payroll costs to the retirement benefit and ESI schemes.

The company's only obligation with respect to such retirement and other benefit plans is to make the specified contributions.

The Company has recognized the following amounts in the Income Statement during the year under 'Contribution to staff provident and other funds' (refer note 28)

	Rs in Lacs	
Particulars	2024- 25	2023- 24
Employer's contribution to PF and FPF	4.26	5.81
Employer's contribution to ESIC	0.89	1.06
Total	5.15	6.87

(b) Defined Benefit Plan

The employees' Gratuity Fund Scheme, which is a defined benefit plan. The present value of the obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Particulars	(Rs. in Lacs)	
	Gratuity (Unfunded) March 31, 2025	Gratuity (Unfunded) March 31, 2024
(A) Movements in present value of defined benefit obligation		
Obligations as at the beginning of the year	65.98	63.64
Current service cost	2.10	1.97
Interest Cost	4.44	3.84
Past service cost	-	-
Plan amendment	-	-
Remeasurement {or Actuarial (gain)/Loss}	(12.96)	0.12
Benefits paid	(4.45)	(3.59)
Present value of defined benefit obligation as at end of the year	55.11	65.98
(B) Movements in the fair value of plan assets		
Fair value of plan assets at beginning of the year	-	-
Actual contribution by the employer	4.45	3.59
Benefits paid	(4.45)	(3.59)
Fair value of plan assets as at end of the year	-	-
(C) Amount recognized in the balance sheet		
Present value of defined benefit obligation as at end of the year	55.11	65.98
Fair value of plan assets as at end of the year	-	-
Funded status {surplus/(deficit)}	(55.11)	(65.98)
Net assets/(liability) recognized in balance sheet	(55.11)	(65.98)
Net assets/(liability) recognized in balance sheet at beginning of the year	65.98	63.63
Expenses recognised in Statement of Profit and Loss	6.54	5.81
Expenses recognised in Other Comprehensive Income	(12.96)	0.12
Actual contributions by the employer	4.45	3.58
Net acquisition/business combination	-	-
Net assets/(liability) recognized in balance sheet at end of the year	55.11	65.98

Notes forming part of the financial statements for the year ended March 31, 2025

(D) Amounts recognized in the statement of profit and loss				
Current service cost		2.10		1.97
Interest cost		4.44		3.84
Total		6.54		5.81
(E) Amounts recognized in other comprehensive income				
Actuarial (gain)/loss due to changes in financial assumption		0.86		0.17
experience variance		(13.82)		(0.05)
Total		(12.96)		0.12
(F) category of plan assets		N.A.		N.A.
(G) sensitivity analysis				
DBO on base assumptions		55.11		65.98
A. Discount Rate				
1. Effect due to 0.50% increase in discount rate	-1.20%	54.45	-1.30%	65.12
2. Effect due to 0.50% decrease in discount rate	1.23%	55.79	1.30%	66.84
B. Salary Escalation Rate				
1. Effect due to 0.50% increase in salary escalation rate	1.23%	55.79	1.32%	66.85
2. Effect due to 0.50% decrease in salary escalation rate	-1.22%	54.44	-1.32%	65.11
C. Withdrawl Rate				
1. Effect due to 10% increase in withdrawal rate	0.07%	55.15	0.06%	66.02
2. Effect due to 10% decrease in withdrawal rate	-0.07%	55.07	-0.09%	65.92
(H) Risk Exposure-Asset Volatility				
There is no such risk given the liability is unfunded as of the balance sheet date.				
(I) Actuarial assumptions				
Actuarial valuation as at the year-end was done in respect of the aforesaid defined benefit plans based on the following assumptions:				
i) General assumptions				
- Discount rate (per annum)		6.55%		7.20%
- Withdrawal rate		2.00%		2.00%
- Rate of increase in compensation		6.00%		6.00%
ii) Mortality rates considered are as per the published rates in the India Assured Lives Mortality (2012-14) Ultimate.				
iii) Leave Policy: Leave balance as at the valuation date and each subsequent year following the valuation date to the extent not availed by the employee accumulated up to 31st December 2024 is available for encashment on separation from the Company up to a maximum of 30 days.				
iv) The discount rate should be based on the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.				
v) The assumption of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion, supply and demand and other relevant factors.				
vi) Short-term compensated absences have been provided on an actual basis.				
(J) i) Expected contributions to post-employment benefit plans in next year		Rs 28.71 Lacs		Rs 30.35 Lacs
ii) Expected contributions to post-employment benefit plans in next year		NIL		NIL
ii) The weighted average duration of the defined benefit obligation is 3.09 years. The expected maturity analysis of undiscounted gratuity benefits is as follows:				
				Rs in Lacs
Period		31.03.2025		31.03.2024
0 to 4 years		0.25		0.34
4 to 10 years		1.51		1.13
10 to 15 years		1.23		1.04
15 & Above		38.47		41.62
Accrued Gratuity for left employees		13.65		21.85
Total		55.11		65.98

36. Expenditure on Corporate Social Responsibility (CSR)

Provisions of the Companies Act, 2013 in respect of Corporate Social Responsibility (CSR) is not applicable to the company.

37. Expenditure on research and development

		Rs. In Lacs
Particulars	2024-25	2023-24
Capital Expenditure	-	-
Revenue Expenditure	-	-
Total	-	-

Notes forming part of the financial statements for the year ended March 31, 2025

38. Disclosure pursuant to Ind AS 17 "Leases":

(a) Where the company is Lessor

- i. Operating Lease: The Company has not entered into any such operating lease.
- ii. Finance Lease: The Company has not entered into any finance lease.

(b) Where the company is Lessee

- i. Finance Lease: The Company has not entered into any finance lease.
- ii. Operating Lease: The Company has not entered into any non-cancellable operating leases.

39. Financial Instruments

(i) Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual operating plans and long term product and other strategic investment plans. The funding requirements are met through equity and other long term/short term borrowings. The Company's policy is aimed at combination of short term and long term borrowings.

The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

The capital structure of the company consists of debt, which includes the borrowings including temporary overdrawn balance, cash and cash equivalents including short term bank deposits, equity comprising issued capital, reserves and non-controlling interests. The gearing ratio for the year is as under:

Rs in Lacs			
Particulars		As at March 31, 2025	As at March 31, 2024
Debt		1312.63	1296.67
Less: Cash and Cash equivalent		39.48	23.85
Net Debt (A)		1273.15	1272.82
Total Equity (B)		1869.49	1835.50
Debt Equity Ratio (A/B)		0.68	0.69

(ii) Categories of financial instruments

Calculation of fair values

The fair values of financial assets and liabilities are defined as 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 following methods and assumptions were used to estimate the fair values of financial instruments.

- a) The fair values of investment in quoted investment in equity shares is based on the current bid price of respective investment as of the Balance Sheet date. However, there is no such investment as of the balance sheet date.
- b) The fair value of bank borrowings carrying floating rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts as there is no significant change in the under-lying credit risk of the Company (since the date of inception of the loans).
- c) Cash and Cash equivalents, trade receivables, other financial assets, trade payables, and other financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature.

Particulars		As at March 31, 2025		As at March 31, 2024	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets					
Financial Assets measured at fair value					
Financial assets measured at amortized cost		493.18		526.92	
Trade Receivables		39.48		23.85	
Cash and Cash equivalents		74.94		31.18	
Bank Balances other than cash & cash equivalents		674.37		420.85	
Loans		5.55		2.94	
Other Financial assets					
Total		1287.52	-	1005.74	-
Financial Liabilities					
Financial Liabilities measured at amortized cost		1287.52	-	1179.81	
Borrowings		825.71	-	243.99	-
Trade Payables		-	-	-	-
Other Financial Liabilities					-
		2113.23	-	1423.80	-

Notes forming part of the financial statements for the year ended March 31, 2025

(iii) Income, expenses, gains or losses on financial instruments

Particulars	For the year ended March 31, 2025	For the Year ended March 31, 2024
Financial assets measured at amortized cost		
Allowances for doubtful receivables	1.56	3.60
Financial assets measured at fair value through Profit and Loss		
- Fair value gain/(loss) on investments in equity instruments	-	-
Financial assets measured at fair value through other comprehensive income		
- Fair value gain/(loss) on investments in equity instruments	-	-

Fair value measurements recognized in the balance sheet:

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(iii) Financial risk management objectives:

The Company's principal financial liabilities comprise loans from banks, financial institutions, and trade payables. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has various financial assets such as trade receivables, cash and short-term deposits, which arise directly from its operations.

The main risk arising from the Company's financial instruments are foreign currency risk, credit risk, market risk, interest rate risk and liquidity risk. The Board of Directors reviews and policies for managing each of these risks.

(a) Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables, cash and cash equivalents and other bank balances. The maximum exposure to credit risk in the case of all the financial instruments covered below is restricted to their respective carrying amount.

Trade and other receivables

Customer credit is managed by each business unit subject to the Company's established policies, procedures and controls relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on 90 90-day credit term. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored.

The Company measures the expected credit loss of trade receivables based on historical trends, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends.

Expected credit loss assessment for customers:

The company is making provisions on trade receivables based on Expected credit loss (ECL) model. The reconciliation of ECL is as follows:

Particulars	2024-25	2023-24
Opening Balance	33.07	29.47
Impairment loss as per ECL recognized/(reversed)	1.56	3.60
Additional Provision	-	-
Amounts written off as bad debts	-	-
Closing Balance	34.63	33.07

Other Financial assets

The Company maintains exposure in cash and cash equivalents and term deposits with banks.

The Company held cash and cash equivalents of Rs. 39.48 Lacs on March 31, 2025 (March 31, 2024: Rs. 23.85 Lacs). Cash and cash equivalents are held with reputable and credit-worthy banks.

Individual risk limits are set for each counter-party based on the financial position, credit rating and past experience. Credit limits and concentration or exposures are actively monitored by the management of the Company.

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired.

Notes forming part of the financial statements for the year ended March 31, 2025

(b) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

(I) Foreign Currency Risk

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee. The company's exposure is mainly denominated in USD on account of imports. The exchange rates have changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company has put in place a Financial Risk Management Policy to identify the most effective and efficient ways of managing currency risks. The Company uses derivative instruments (mainly foreign exchange forward contracts) to mitigate the risk of changes in foreign currency exchange rates.

The Company does not use derivative financial instruments for trading or speculative purposes.

(II) Interest rate risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs. The Company also uses a mix of interest rate-sensitive financial instruments to manage the liquidity and fund requirements for its day-to-day operations like short-term loans.

Interest rate sensitivity analysis

As at March 31, 2025, interest-bearing financial liability (secured loan from banks) stood at Rs. 1312.63 Lacs, and was subject to variable interest rates. An increase/decrease of 50 basis points in interest rates at the balance sheet date would result in a decrease/increase in profit before tax of Rs. 6.56 lacs.

The risk estimates provided assume a parallel shift of 50 basis points in interest rate. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as of that date. The period-end balances are not necessarily representative of the average debt outstanding during the period.

This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

The fair value of financial instruments:

All financial assets are initially recognized at the fair value of consideration paid. Subsequently, financial assets are carried at fair value or amortized cost less impairment. Where non-derivative financial assets are carried at fair value, gains and losses on re-measurement are recognized directly in equity unless the financial assets have been designated as being held at fair value through profit or loss, in which case the gains and losses are recognized directly in the statement of profit and loss. Financial assets are designated as being held at the fair value through profit or loss when it is necessary to reduce measurement inconsistency for related assets and liabilities. All financial liabilities other than derivatives are initially recognized at fair value of consideration received net of transaction costs as appropriate (initial cost) and subsequently carried at amortized cost.

(III) Liquidity risk

The Company follows a Conservative policy of ensuring sufficient liquidity at all times through a strategy of profitable growth, efficient liquidity at all times through a strategy of profitable growth, efficient working capital management as well as prudent capital expenditure. The Company has an overdraft facility with banks to support any temporary funding requirements.

The Company believes that current cash and cash equivalents, tied-up borrowing lines and cash flow that is generated from operations is sufficient to meet requirements. Accordingly, liquidity risk is perceived to be low.

Liquidity table:

Liquidity tables are drawn up based on the cash flows of financial liabilities based on the earliest date on which the Company can be required to pay is disclosed in Note no. 47.

(IV) Other price risk

The Company is not exposed to any significant equity price risk arising from equity investments, as on 31st March 2024. Equity investments are held for strategic rather than trading purposes. The Company does not actively trade these investments.

(V) Equity price sensitivity analysis

There is no exposure to equity price risks as at the reporting date or as at the previous reporting date.

40. There is no amount due and outstanding to be credited to the Investor Education & Protection Fund as at March 31, 2025.

Notes forming part of the financial statements for the year ended March 31, 2025

41. Disclosure of related parties/related party transactions/balances pursuant to Ind AS 24 "Related Party Disclosures"

(i) Joint Venture and Associates:

NIL

(ii) Key Management Person (KMP) & relative of such persons

- a) Shri Ashok Kumar Matanhelia, Managing Director
- b) Shri Somil Matanhelia, Whole Time Director
- c) Shri Shobhit Matanhelia, Whole Time Director and CFO
- d) Smt Usha Matanhelia, Women Director
- e) M/s Pashupati Roadways (Sri Somil Matanhelia, WTD interested as Proprietor)
- f) Shri Shashi Kumar Srivastava
- g) Ms. Kunika Meghani, Company Secretary & Compliance Officer

(iii) Person(s) having control/significant influence over the company and other enterprises relatives of such person(s):

- a) Vibrant Laminate Private Limited
- b) Poorvanchal Acid Private Limited
- c) M/s Pashupati Enterprises

(iv) Transactions with related parties

Name of related party (Nature of Transaction)	2024-25/ 31.03.2025	2023-24/ 31.03.2024
i. Key management personnel and their relatives		
- Remuneration		
- Sri Ashok Kumar Matanhelia	60.00	54.00
- Sri Somil Matanhelia	48.00	48.00
- Sri Shobhit Matanhelia	33.00	30.00
- Shashi Kumar Srivastava	-	-
- Smt. Usha Matanhelia (sitting fee)	0.80	0.80
- Ms. Kunika Meghani	2.16	2.16
-Unsecured Loan taken		
- Sri Ashok Kumar Matanhelia	249.00	45.00
- Unsecured Loan repaid		
- Sri Ashok Kumar Matanhelia	90.53	21.00
- Interest paid on Unsecured Loan		
- Sri Ashok Kumar Matanhelia	8.67	1.53
- Rent paid		
- Smt. Usha Matanhelia	26.40	14.40
- Rent received		
- M/s Pashupati Enterprises	3.00	3.00
- Rent receivable		
- M/s Pashupati Enterprises	0.17	0.17
- Freight paid		
- M/s Pashupati Roadways	137.72	190.34
- Investment (As at the year end)		
- Vibrant Laminate Pvt Ltd.	133.00	133.00
- Poorvanchal Acid Pvt. Ltd.	80.00	80.00
- Purchase		
- Poorvanchal Acid Pvt. Ltd.	282.18	709.79
- Sales		
- Vibrant Laminate Pvt. Ltd.	-	-
- Poorvanchal Acid Pvt. Ltd.	169.06	113.44
- Outstanding receivable/(Payable) at the end of year		
- M/s Pashupati Roadways	9.77	-40.44
- Vibrant Laminate Pvt. Ltd.	0.76	0.76
- Poorvanchal Acid Pvt. Ltd.	17.63	-1.09
- Sri Ashok Kumar Matanhelia	191.64	-25.37

(v) No amount has been written off/back or provided as doubtful debts during the year in respect of related parties.

(vi) Key Managerial Personnel is entitled to post-employment benefits and other long-term employee benefits recognized as per Ind AS 19- 'Employee Benefits' in the financial statements. As these employee benefits are lumpsum amounts provided on the basis of actuarial valuation, the same is not included above.

(vii) Remuneration to Whole Time Directors

Particulars	2024-25	2023-24
(a) Short-term Employee Benefits (Salary)	141.75	134.25
(b) Contribution to defined contribution plan	-	-
Total	141.75	134.25

42. Disclosure pursuant to Ind AS 37 "Provisions, Contingent Liabilities and Contingent assets":

The Company has recognized contingent liabilities as disclosed in Note 34 above and as such no provision is required to be made. No provision was outstanding as at the beginning and at the end of the year.

Notes forming part of the financial statements for the year ended March 31, 2025

43. Disclosure pursuant to Ind AS 105 "Non-current assets held for sale and discontinued operations":

There are no such asset held for sale and discontinued operations.

44. Tax Expenses

(a) Amounts recognized in profit and loss

(Rs. in Lacs)

Particulars	2024-25	2023-24
<u>Current Tax Expense</u>		
Current year	14.73	3.60
Changes in estimates relating to prior years	-	1.18
	14.73	4.78
<u>Deferred tax expense</u>		
Origination and reversal of temporary differences	(2.95)	(1.72)
Change in tax rate	-	-
Recognition of previously unrecognized tax losses	-	-
	(2.95)	(1.72)
Tax expense recognized in the income statement	11.78	3.06

(b) Amounts recognized in other comprehensive income

(Rs. in Lacs)

Particulars	2024-25	2023-24
Items that will not be reclassified to profit or loss		
- Remeasurement of the defined benefit plans	12.96	(0.21)
Tax Expense/Benefit	(3.26)	0.03
Net of Tax	9.70	(0.09)

(c) Reconciliation of tax expense and accounting profit multiplied by domestic tax rate applicable in India:

(Rs. in Lacs)

Particulars	2024-25	2023-24
Profit before tax	36.07	7.74
Corporate tax rate as per Income Tax Act, 1961	25.17%	25.17%
Tax on Accounting profit	9.08	1.95
(i) Tax on income exempt from tax:	-	-
(ii) Tax on expenses not tax deductible expenses	-	-
(iii) Tax effect on various other items including excess/short provision of earlier years	2.70	1.11
Total effect of tax adjustments [(i) to (iii)]	2.70	1.11
Tax expense recognised during the year	11.78	3.06
Effective tax rate	32.66%	39.53%

(d) (i) Unused tax losses for which no deferred tax asset is recognized in the Balance Sheet

NIL

(ii) Unrecognized deductible temporary differences for which no deferred tax asset is recognized in Balance sheet

NIL

(e) Components of deferred tax (assets) and liabilities recognized in Balance Sheet and Statement of Profit or Loss:

Particulars	Balance sheet as at			Statement of Profit & Loss	
	31.03.2025	31.03.2024	31.03.2023	2024-25	2023-24
Difference between book balance and tax balance of fixed assets	43.41	43.84	44.10	(0.43)	(0.26)
Provision for gratuity	(14.11)	(16.60)	(16.01)	2.49	(0.59)
Provision for leave encashment	(1.07)	(0.97)	(0.97)	(0.10)	-
Losses and depreciation	(1.26)	-	-	(1.26)	-
MAT Credit	-	-	-	-	-
Provision for Bad debts (including ECL)	(8.71)	(8.32)	(7.42)	(0.39)	(0.90)
Net Deferred Tax (asset) liability	18.26	17.95	19.70		
Deferred Tax expense/(income)				0.31	(1.75)
Recognised in Statement of Profit & Loss				(2.95)	(1.72)
Recognized in other comprehensive income				3.26	(0.03)

(f) Reconciliation of deferred Tax (Asset) Liability

Particulars	2024-25	2023-24
Opening Balances	17.95	19.70
Tax (income)/expense during the period recognized in:		
- Statement of Profit and Loss in Profit or Loss section	(2.95)	(1.72)
- Statement of Profit and Loss under OCI section	3.26	(0.03)
Closing Balances	18.26	17.95

Notes forming part of the financial statements for the year ended March 31, 2025**45. Disclosure pursuant to Ind AS 108 “Operating Segment”:**

The Company is operating mainly in a single segment i.e. Fertilizers & allied products; hence no disclosure is required in terms of Ind AS 108.

46. Foreign currency exposure hedged and un-hedged as at the balance sheet date is as under:

(a) Foreign Currency Exposure un-hedged as at the balance sheet date is as under:

(Foreign Currency in Lacs)

Particulars	USD	
	2024-25	2023-24
Trade Payable (including outstanding covered under LC)	5.15	-
	-	-

(b) Derivative instrument outstanding (Forward Contract for hedging)

Particulars	USD	
	2024-25	2023-24
No such exposure at the balance sheet date		

47. Disclosure pursuant to Ind As 1 “Presentation of Financial Statements”.

(a) Current Liabilities and borrowings expected to be settled within twelve months and after twelve months from the reporting date:

Particulars	As at March 31, 2025			As at March 31, 2024		
	within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
Borrowings	1287.52	25.11	1312.63	926.14	84.14	1010.28
Trade payables	825.71	-	825.71	243.99	-	243.99
Other Financial Liabilities	-	-	-	-	-	-

(b) Current assets expected to be recovered within twelve months and after twelve months from the reporting date:

Particulars	As at March 31, 2025			As at March 31, 2024		
	within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
Inventories	1348.35	-	1348.35	1433.66	-	1433.66
Trade Receivables	493.18	-	493.18	526.92	-	526.92
Loans	674.37	-	674.37	420.85	-	420.85
Other Financial Assets	5.55	-	5.55	2.94	-	2.94
Other Current Assets	936.13	-	936.13	380.31	-	380.31

48. Disclosure as per Section 186 (4) of the Companies Act, 2013:

Rs. in Lacs

(a) Loans and Advances: Name of the Company	Relationship	Amount Outstanding as at March 31		Percentage to the total Loans & advances in the nature of loans		Balance as at Maximum Outstanding during the year	
		2025	2024	2025	2024	2024-25	2023-24
Aditya Enterprises	Other	5.03	5.03	0.75%	1.20%	5.03	5.03
Uttarak Industries Pvt Ltd	Other	75.46	58.14	11.19%	13.81%	75.46	105.87
Poorvanchal Acid Pvt Ltd.	Related Party	76.80	-	11.39%	-	76.80	-
Vibrant Laminate Pvt Ltd*	Related Party	517.08	357.68	76.68%	84.99%	517.08	357.68

* The above balance includes interest accrued wherever charged on loans.

The loans above have been given to meet the working capital requirements and the same has been utilized for the same purpose.

(b) Investments: refer to Note No. 3 (i) & (ii)

49. Additional Regulatory Information

Additional Regulatory Information pursuant to Clause 6L of general instructions for preparation of Balance Sheet as given in Part I of division II of Schedule III of the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the Financial Statements.

(a) Title deeds of Immovable Property not held in the name of the Company

All immovable properties are held in the name of the company.

(b) Fair Value of Investment Property

The Company does not have any investment property.

(c) Revaluation of Property, Plant & Equipment and Intangible Assets

The Company has not revalued any of its Property, Plant & Equipment, and Intangible Assets, during the year.

(d) Details of Benami Property held

The Company does not have any Benami Property, where any proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

Notes forming part of the financial statements for the year ended March 31, 2025

(e) Borrowings from banks or financial institutions on the basis of security of current assets

The Company has a Working Capital limit of Rs. 2620 Lacs from SBI, comprising of Fund-based limits of Rs. 1070 Lacs and non-fund-based limits of Rs. 1550 Lacs. For the said facility, the Company has submitted Stock and debtors statements to the bank on a monthly basis as also the Quarterly Information Statements. The difference between value as per books of accounts and as per quarterly statements submitted with lenders are as under:

Rs. in Lacs				
Quarter ending	Value as per Books of Accounts	Value as per quarterly Statement submitted with lenders	Differences	Reason for Difference
June 30, 2024	2566.26	2472.96	93.30	The differences are there because the statement filed with the lenders are based on financial statements prepared on provisional basis and due to reclassification
September 30, 2024	2776.94	2718.78	58.16	
December 31, 2024	3705.43	3630.22	75.21	
March 31, 2025	2691.53	2804.33	-112.80	
June 30, 2023	2615.55	2992.39	-376.84	
September 30, 2023	2324.74	2781.20	-456.46	
December 31, 2023	2527.79	2904.52	-376.73	
March 31, 2024	1960.58	2582.26	-621.68	

(f) Wilful Defaulter

The Company has not been declared as a wilful defaulter by any lender who has the power to declare a company as a wilful defaulter at any time during the financial year or after the end of the reporting period but before the date when the financial statements are approved.

(g) Relationship with struck-off Companies

The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(h) Registration of charges or satisfaction thereof with Registrar of Companies

There are no charges or satisfaction thereof yet to be registered with the Registrar of Companies beyond the statutory period as on the date of the Balance Sheet.

(i) Compliance with a number of layers of companies

There is no non-compliance of provisions regarding the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on Number of Layers) Rules, 2017.

(j) The Company has not advanced or loaned or invested funds to any other person(s) or entity (is), including foreign entities (intermediaries), with the understanding that the intermediary shall;

- i. 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
- ii. Provide any guarantee, security, or the like to or on behalf of the Ultimate Beneficiaries.

(k) The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall;

- i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries), or
- ii. Provide any guarantee, security, or the like to or on behalf of the Ultimate Beneficiaries.

(l) Undisclosed Income

The Company does not have any transactions which is not recorded in the books of accounts but have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961.)

(m) Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Cryptocurrency or virtual currency during the year.

(n) Compliance with approved Scheme(s) of Arrangements

During the year, no scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

Notes forming part of the financial statements for the year ended March 31, 2025

(o) Ratios

Particulars	year ended march 31, 2025		year ended March 31, 2024		Variance and Reason	
	Numerator Denominator Rs. in Lacs	Ratio	Numerator Denominator Rs. in Lacs	Ratio	Variance	Reason
(a) Current Ratio (in times) Current assets/current liabilities	3572.00 2518.15	1.42	2819.71 1720.66	1.64	-13.44%	N.A.
(b) Debt-Equity Ratio (in times) Total Debt/shareholders equity	1312.63 1869.49	0.70	1296.67 1835.50	0.71	-0.61%	N.A.
(c) Debt Service Coverage Ratio (in times) Earnings available for Debt Service/Debt Service	184.68 134.67	1.37	160.31 397.27	0.40	239.84%	Note: 01
(d) Return on equity ratio (in %) [Net Profit after taxes-Preference Dividend (if any)] / Average shareholder's equity	24.29 1852.50	1.31%	4.68 1833.21	0.26%	413.61%	Note: 02
(e) Inventory turnover ratio (in times) Sales/Average Inventory	6536.39 1391.01	4.70	5223.88 1421.04	3.68	27.83%	Note: 03
(f) Trade Receivables turnover ratio (in times) Net credit sales/Average Accounts Receivable	6536.39 510.05	12.82	5223.88 439.94	11.87	7.92%	N.A.
(g) Trade Payables turnover ratio (in times) Net credit purchases/Average Trade Payables	4734.39 537.42	8.81	3600.47 283.56	12.70	-30.62%	Note: 04
(h) Net Capital turnover ratio (in times) Net sales/working capital	6536.39 1053.85	6.20	5223.88 1099.05	4.75	30.49%	Note: 05
(i) Net profit ratio (in %) Net Profit/net sales	24.29 6536.39	0.37%	4.68 5223.88	0.09%	314.80%	Note: 02
(j) Return on capital employed (ROCE) (in %) Earning before int and taxes/cap employed	143.00 3182.12	4.49%	115.56 3132.17	3.69%	21.80%	N.A.
(k) Return on investment (in %) Income generated from invested funds/Average invested funds in treasury investment	- 213.00	N.A.	- 213.00	N.A.	N.A.	N.A.

01 Decrease in long-term borrowing has resulted into variance in ratio

02 Increase in profit has resulted into increase in ratio

03 Increase in sales has resulted into increase in ratio

04 Increase in creditors has resulted into variance in ratio

05 Increase in sales has resulted into increase in ratio

51. Figures of the previous year have been regrouped/rearranged wherever required to make them comparable with those of the current year. Figures have been rounded off to the nearest rupee in lacs.

As per our attached report of even date

For and on behalf of the Board

For Kapoor Tandon & Co.
Chartered Accountants
Firm Regd No. 000952C

Sd/-
Divyank Nigam
Partner
M. No. 438443

Place: Kanpur
Date: May 29, 2025

Sd/-
Ashok Kumar Matanhelia
Managing Director
(DIN: 01763776)

Sd/-
Shashi Srivastava
Chief Financial Officer

Sd/
Somil Matanhelia
Whole Time Director
(DIN: 01738413)

Sd/-
Kunika Meghani
Company Secretary &
Compliance Officer



NOTICE

NOTICE is hereby given that the **40th (Forty) Annual General Meeting** of the members of **Asian Fertilizers Limited** will be held on Tuesday, 30/09/2025 at 03:00 PM through **VC/OAVM**, to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2025, together with the Reports of the Board of Directors and Auditors thereon and in this regard, pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT the audited financial statement of the Company for the financial year ended March 31, 2025, and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”


2. To appoint Mr. Somil Matanhelia, (Director), who retires by rotation at this Annual General Meeting and is eligible, offers himself for re-appointment as a Director and in this regard, pass the following resolution as an Ordinary Resolution:


“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Somil Matanhelia, (Director), who retires by rotation at this meeting and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

SPECIAL BUSINESS:

3. To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2026, and in this regard, pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), remuneration, as approved by the Board of Directors of the Company (“the Board”) and set out in the statement annexed to the Notice convening this Meeting, to be paid to Cost Auditors appointed by the Board, to conduct the Audit of cost records of the Company for the financial year ending on March 31, 2026, be and is hereby ratified.”






“RESOLVED FURTHER THAT Mr. Ashok Kumar Matanhelia, Managing Director, and Mr. Somil Matanhelia, Whole Time Director, and Mr. Shobhit Matanhelia, Whole Time Director of the Company be and are hereby authorized severally and jointly to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

4. Appointment of Mr. Awashesh Dixit, Company Secretary (FCS Number: 10860) as the Secretarial Auditors of the Company at the 40th Annual General Meeting for a term of 5 consecutive years, including the manner in which the remuneration and other terms of appointment of the Secretarial Auditors shall be fixed and, in this regard, to consider and, if thought fit, pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to Regulation 24A and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) read with Circulars issued thereunder from time to time and applicable provisions of the Companies Act, 2013 (“the Act”) and Rules made thereunder [including any statutory modification or re-enactment thereof for the time being in force] and in accordance with the recommendation of the Board of Directors of the Company, Mr. Awashesh Dixit, Company Secretary, (FCS Number: 10860) be appointed at this 40th Annual General Meeting as the Secretarial Auditors of the Company for a term of 5 consecutive years, to conduct the Secretarial Audit of five consecutive financial years respectively ending on 30th September, 2026, 30th September, 2027, 30th September, 2028, 30th September, 2029 and 30th September, 2030 (‘the Term’) and to issue the Secretarial Audit Report under Section 204 of the Act for the Term, at a remuneration to be determined by the Board of Directors of the Company (referred to as the Board which expression shall include any Committee thereof or person(s) authorized by the Board).

RESOLVED FURTHER THAT approval of the members is hereby accorded to the Board to avail or obtain from the Secretarial Auditor, such other services or certificates, reports, or opinions which the Secretarial Auditors may be eligible to provide or issue under the Applicable Laws at a remuneration to be determined by the Board.”



5.To Consider and approve the Re-appointment of Mr. Ashok Kumar Matanhelia, Managing Director of the Company for the fresh term of 3 years w.e.f. 01/01/2026 and in this regard to consider and, if thought fit, to pass, with or without modification(s), following resolution as an **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of section 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force) read with schedule V of the said Act and Companies (Appointment of Key Managerial Personnel) Rules, 2014 as amended time to time with the consent of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Ashok Kumar Matanhelia, Managing Director w.e.f. January 1, 2026 for the period of 3 years on such fresh terms and conditions as set out herein below, with liberty to the Board to alter and vary the terms and conditions of the remuneration so as not to exceed the limits as specified in Schedule V to the Companies Act, 2013, including any statutory modifications(s) or re- enactment(s) thereof for the time being in force or any amendments or modifications that may thereafter be made by the central Government."

Salary: Rs. 5,50,000-50,000-6,50,000 P.M. for the respective three years.

Perquisites: Perquisites shall be allowed in addition to salary and shall be restricted to an amount equal to the annual salary or Rs. 6,00,000 p.a. whichever is less, provided that in no case, the total salary (including perquisites and allowances) being paid shall exceed the overall ceiling limit as prescribed in schedule V. The perquisites shall be allowed as under:

CATEGORY 'A'

- i) House Rent Allowance:** 50% of the salary over and above 10% payable by himself.
- ii) Furnishing, Gas Etc.:** The expenditure incurred by the Company on Gas, Electricity, Water, Furnishing including air conditioners, geysers shall be valued as per Income Tax Rules, 1962 subject to a ceiling of 10% of the salary of the managing director.
- iii) Medical Reimbursement:** Expenses incurred for the Managing Director and his family subject to a ceiling of one month's salary in a year or 2 month's salary over a period of 2 years.

Explanation: For the purpose of category 'A' family means the spouse, dependent children and parents of the Managing director.

CATEGORY 'B'

i) Contribution to provident fund, super-annuation fund, annuity fund: Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.

ii) Gratuity: Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and

Explanation: The perquisites shall mean as provided in the schedule V of the Companies Act, 2013.

Managing Director will also be entitled to leave on full pay and allowance as per rules of the company but not exceeding one month's leave for every eleven months of services to the condition that leave accumulated but not availed of will not be allowed to be encashed.

The Managing director shall also be entitled to reimbursement of all expenses incurred by him in the course of promoting the company's business, subject to such ceiling or expenses as may be imposed by the Board of Directors from time to time.

The Managing Director will also be entitled to reimbursement of travelling expenses including domestic and foreign from the Company upto Rupees ten lakhs for every year during his tenure.

"FURTHER RESOLVED THAT the remuneration as mentioned above including perquisites and reimbursement, in the event of loss in any financial year comprised in the aforesaid terms of re-appointment, shall not exceed the maximum permissible limit as prescribed under Part II of Schedule V of the Companies Act, 2013 or subject to the previous approval of Central Government, if required."

"FURTHER RESOLVED THAT in no circumstances the remuneration paid shall exceed the remuneration as laid down in schedule V to the Companies Act 2013."

"FURTHER RESOLVED THAT Mr. Ashok Kumar Matanhelia, Managing Director, Mr. Somil Matanhelia, Whole Time Director and Mr. Shobhit Matanhelia, Whole Time Director of the Company be and is hereby authorized to file all the statutory forms or related documents to give effect to this resolution."

Except Mr. Somil Matanhelia, Mr. Shobhit Matanhelia and Mrs. Usha Matanhelia, none of the Directors is interested in the said resolution.

6. To Consider and approve the Re-appointment of Mr. Somil Matanhelia, Whole Time Director of the Company for the fresh term of 3 years w.e.f. 01/01/2026 and in this regard to consider and, if thought fit, to pass, with or without modification(s), following resolution as an **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of section 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force) read with schedule V of the said Act and Companies (Appointment of Key Managerial Personnel) Rules, 2014 as amended time to time consent of the Member of the Company be and is hereby accorded for the re-appointment of Mr. Somil Matanhelia, Whole Time Director w.e.f. January 1, 2026 for the period of 3 years on such fresh terms and conditions as set out herein below, with liberty to the Board to alter and vary the terms and conditions including the remuneration so as not to exceed the limits as specified in Schedule V to the Companies Act, 2013, including any statutory modifications(s) or re- enactment(s) thereof for the time being in force or any amendments or modifications that may thereafter be made by the central Government."

Salary: Rs. 4,00,000 P.M. for the respective three years.

Perquisites: Perquisites shall be allowed in addition to salary and shall be restricted to an amount equal to the annual salary or Rs. 6,00,000 p.a. whichever is less, provided that in no case, the total salary (including perquisites and allowances) being paid shall exceed the overall ceiling limit as prescribed in schedule V. The perquisites shall be allowed as under:



CATEGORY 'A'

- i) **House Rent Allowance:** 50% of the salary over and above 10% payable by himself.
- ii) **Furnishing, Gas Etc.:** The expenditure incurred by the Company on Gas, Electricity, Water, Furnishing including air conditioners, geysers shall be valued as per Income Tax Rules, 1962 subject to a ceiling of 10% of the salary of the Whole time director.
- iii) **Medical Reimbursement:** Expenses incurred for the Whole time Director and his family subject to a ceiling of one month's salary in a year or 2 month's salary over a period of 2 years.

Explanation: For the purpose of category 'A' family means the spouse, dependent children and parents of the Whole Time Director.

CATEGORY 'B'

i) **Contribution to provident fund, super-annuation fund, annuity fund:** Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.

ii) **Gratuity:** Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and

Explanation: The perquisites shall mean as provided in the schedule V of the Companies Act, 2013.

Whole Time Director will also be entitled to leave on full pay and allowance as per rules of the company but not exceeding one month's leave for every eleven months of services to the condition that leave accumulated but not availed of will not be allowed to be encashed.

The Whole Time Director will also be entitled to reimbursement of travelling expenses including domestic and foreign from the Company upto Rupees ten lakhs for every year during his tenure.

"FURTHER RESOLVED THAT the remuneration as mentioned above including perquisites and reimbursement, in the event of loss in any financial year comprised in the aforesaid terms of re-appointment, shall not exceed the maximum permissible limit as prescribed under Part II of Schedule V of the Companies Act, 2013 or subject to the previous approval of Central Government, if required."

"FURTHER RESOLVED THAT in no circumstances the remuneration paid shall exceed the minimum remuneration laid down in schedule V."

"FURTHER RESOLVED THAT Mr. Ashok Kumar Matanhelia, Managing Director, Mr. Somil Matanhelia, Whole Time Director and Mr. Shobhit Matanhelia, Whole Time Director of the Company be and is hereby authorized to file all the statutory forms or related documents to give effect to this resolution."

Except Mr. Ashok Kumar Matanhelia, Mr. Shobhit Matanhelia and Mrs. Usha Matanhelia, none of the Directors is interested in the said resolution.

- 7.** To Consider and approve the Re-appointment of Mr. Shobhit Matanhelia, Whole Time Director of the Company for the fresh term of 3 years w.e.f. 01/01/2026 and in this regard to consider and, if thought fit, to pass, with or without modification(s), following resolution as an **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of section 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force) read with schedule V of the said Act and Companies (Appointment of Key Managerial Personnel) Rules, 2014 as amended time to time consent of the Member of the Company be and is hereby accorded for the re-appointment of Mr. Shobhit Matanhelia, Whole Time Director w.e.f. January 1, 2026 for the period of 3 years on such fresh terms and conditions as set out herein below, with liberty to the Board to alter and vary the terms and conditions including the remuneration so as not to exceed the limits as specified in Schedule V to the Companies Act, 2013, including any statutory modifications(s) or re- enactment(s) thereof for the time being in force or any amendments or modifications that may thereafter be made by the central Government."

Salary: Rs. 3,25,000 P.M. for the respective three years.

Perquisites: Perquisites shall be allowed in addition to salary and shall be restricted to an amount equal to the annual salary or Rs. 6,00,000 p.a. whichever is less, provided that in no case, the total salary (including perquisites and allowances) being paid shall exceed the overall ceiling limit as prescribed in schedule V. The perquisites shall be allowed as under:

CATEGORY 'A'

i) House Rent Allowance: 50% of the salary over and above 10% payable by himself.

ii) Furnishing, Gas Etc.: The expenditure incurred by the Company on Gas, Electricity, Water, Furnishing including air conditioners, geysers shall be valued as per Income Tax Rules, 1962 subject to a ceiling of 10% of the salary of the Whole time director.

iii) Medical Reimbursement: Expenses incurred for the Whole time Director and his family subject to a ceiling of one month's salary in a year or 2 month's salary over a period of 2 years.

Explanation: For the purpose of category 'A' family means the spouse, dependent children and parents of the Whole Time Director.

CATEGORY 'B'

i) Contribution to provident fund, super-annuation fund, annuity fund: Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.

ii) Gratuity: Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and

Explanation: The perquisites shall mean as provided in the schedule V of the Companies Act, 2013.

Whole Time Director will also be entitled to leave on full pay and allowance as per rules of the company but not exceeding one month's leave for every eleven months of services to the condition that leave accumulated but not availed of will not be allowed to be encashed.

The Whole Time Director will also be entitled to reimbursement of travelling expenses including domestic and foreign from the Company upto Rupees ten lakhs for every year during his tenure.

"FURTHER RESOLVED THAT the remuneration as mentioned above including perquisites and reimbursement, in the event of loss in any financial year comprised in the aforesaid terms of re-appointment, shall not exceed the maximum permissible limit as prescribed under Part II of Schedule V of the Companies Act, 2013 or subject to the previous approval of Central Government, if required."

"FURTHER RESOLVED THAT in no circumstances the remuneration paid shall exceed the minimum remuneration laid down in schedule V."

"FURTHER RESOLVED THAT Mr. Ashok Kumar Matanhelia, Managing Director, Mr. Somil Matanhelia, Whole Time Director and Mr. Shobhit Matanhelia, Whole Time Director of the Company be and is hereby authorized to file all the statutory forms or related documents to give effect to this resolution."

Except Mr. Ashok Kumar Matanhelia, Mr. Somil Matanhelia and Mrs. Usha Matanhelia, none of the Directors is interested in the said resolution.

8. Approval for proposed transaction into Related Party Transactions by the Company at arm's length price and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following as an **Ordinary Resolution**
- "RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), as per the recommendation and approval of the Board and Audit Committee in the meeting held on 29.05.2025, the consent of the Company be and is hereby accorded to enter into the related party transactions by the Company with the respective related parties at arms length price and for the maximum amounts per annum, as mentioned herein below:

No.	Name of the related party	Nature of contracts/ arrangement/transactions	Maximum amount per transaction as below, in a year per Company / firm
1.	Poorvanchal Acid Pvt. Ltd.	Trading Business	Rs. 10,00,00,000/- (Rupees Ten Crores Only)
2.	Pashupati Roadways	Availing services for transportations of goods	Rs. 5,00,00,000/- (Rupees Five Crores Only)
3.	Pashupati Enterprises	Leasing of property	Rs. 5.00,000/- (Rupees Five Lakhs Only)
4.	Mrs Usha Matanhelia	Office Building Rent	Rs. 20,00,000/- (Rupees Twenty Lakhs Only)

"RESOLVED FURTHER THAT the Board of Directors of the Company and/or a Committee thereof, be and is hereby, authorized to do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties, doubts that may arise with regard to any transaction with the related party and execute such agreements, documents and writings and to make such filings, as may be necessary or desirable for the purpose of giving effect to this resolution, in the best interest of the Company."

For Asian Fertilizers Limited
Sd/-

Date: 29/05/2025
Place: Gorakhpur

Kunika Meghani
Company Secretary & Compliance Officer

NOTES

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and under Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, and Circular No. 02/2021 dated January 13, 2021, and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint a proxy to attend and cast votes for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM to participate there and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on a 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.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted to reckon the quorum under Section 103 of the Companies Act, 2013.
5. The Explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the special business to be transacted at the Meeting is annexed thereto in respect of items set out in the notice.
6. 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 the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020, and May 05, 2020, the Company is providing the 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 the National Securities Depository Limited (NSDL) to facilitate voting through electronic means, as the authorized agency. The facility of casting votes by a member using a remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.

7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.asianfertilizers.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

8. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020, and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020, and MCA Circular No. 2/2021 dated January 13, 2021.

- a. In terms of section 152 of the Act, Mr. Somil Matanhelia (DIN: 01738413), Director, retire by rotation at the meeting and being eligible, offer him- self for re-appointment.

Details of Director retiring by rotation, appointment/re-appointment as required to be provided pursuant to the provision of (i) the Securities and Exchange Board of India (LODR) Regulation, 2015 and (ii) Secretarial Standard on General Meeting (SS-2), issued by the institute of Company Secretaries of India and approved by the Central Government are provided herein below:

Particulars	Somil Matanhelia
DIN	01738413
Date of Birth	12/12/1981
Age	43
Qualification	MBA (Marketing & Finance)
Date of first appointment on the Board	01/07/2007
Shareholding in the Company	4.04%

Relationship with other Directors & KMP	Son of Ashok Kumar Matanhelia (MD) and Usha Matanhelia (Women Director) and Brother of Shobhit Matanhelia (WTD)
Number of meetings of the Board attended during the financial year	4
Directorship held in other Companies in India	2
Membership/chairmanship of Committees of other Boards	N.A.

9. Any person holding shares in physical form and non-individual shareholders, who acquire shares of the Company and become members of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. 22-09-2025, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using the "Forgot User Details/Password" or "Physical User Reset Password" option available at www.evoting.nsdl.com or call on 022 - 4886 7000 and 022 - 2499 7000. In case of Individual Shareholders holding securities in demat mode who acquire shares of the Company and become Members of the Company after sending the Notice and holding shares as of the cut-off date i.e. 22-09-2025 may follow the steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

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

The remote e-voting period begins on 27-09-2025, at 09:00 A.M. and ends on 29-09-2025, at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 22-09-2025, may cast their vote electronically. The voting rights of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as of the cut-off date, being 22-09-2025.

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

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

Step 1: Access to the NSDL e-Voting system

A) Login method for e-voting and joining virtual meetings for Individual shareholders holding securities in demat mode

In terms of the SEBI circular dated December 9, 2020, on the 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 to access the e-voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with NSDL.	<ol style="list-style-type: none">Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-voting services under value-added services. Click on "Access to e-voting" under e-voting services and you will be able to see the e-voting page. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.If you are not registered for IDeAS e-Services, option to register is available at https:// eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jspVisit the e-voting website of NSDL. Open a 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 the e-voting system is launched, click on the icon "Login" is available under the 'shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password /OTP and a verification code as shown on the screen. After successful authentication, you will be redirected to NSDL

Depository site wherein you can see the e-voting page. Click on company name or **e-voting service provider i.e. NSDL** and you will be redirected to the e-voting website of NSDL for casting your vote during the remote e-voting period or join virtual meeting below for seamless voting experience & voting during the meeting.

4. Shareholders/Members can also download NSDL Mobile App “**NSDL Speede**” facility by scanning the QR code mentioned below for a seamless voting experience.

NSDL Mobile App is available on



App Store



Google Play



Individual Shareholders
holding securities in demat

1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. The option will be made available to reach e-Voting page without any further authentication. The users to login Easi/Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New system Myeasi Tab and then use your existing my easi username & password.
2. After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the voting is in progress as per the information provided by the company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period or joining virtual meetings & voting during the meeting. Additionally, there are also links provided to access the system of all e-voting Service Providers, so that the user can visit the e-voting service providers' website directly.
3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
4. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a e-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting Service Providers.

Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your depository Participant registered with NSDL/CDSL for e-voting facility. upon logging in, you will be able to see the e-voting option. Click on e-voting option, you will be redirected to NSDL/CDSL Depository site after a successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider i.e. NSDL and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period or join virtual meeting & voting during the meeting.
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Important note: Members who are unable to retrieve their User Id/Password are advised to use the Forget User ID and Forget Password option available at the above-mentioned website.

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

<u>Login type</u>	<u>Helpdesk details</u>
Individual Shareholders holding holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request to evoting@nsdl.com or call at 022-4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact the CDSL helpdesk by sending a request at the helpdesk.evoting@cdslindia.com or contact at toll-free no. 1800 21 09911

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

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

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a verification code as shown on the screen.
Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log in to NSDL e-services after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:

- If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
 - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a pdf file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your 'User ID' and your 'initial password'.
 - If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

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

- Click on "**Forgot User Details/Password?**" (if you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

- d) Members can also use the OTP (one time password) based login for casting the votes on the e-voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 8. Now, you will have to click on "Login" button.
 9. After you click on the "Login" button, Home page of e-voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and who's voting cycle and General Meeting is in activestatus.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-voting as the voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by email to adesh.tandon11@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc. by clicking on "Upload Board Resolution/ Authority Letter" displayed under "e-voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot user Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

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

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to afl@asianfertilizers.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID) or 16 digit beneficiary ID), Name, client master, or copy of Consolidated Account the statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to afl@asianfertilizers.com. If you are individual shareholders holding securities in demat mode, you are requested to refer to the login method explained in **step 1 (A) i.e. Login method for e-voting and joining virtual meetings for Individual shareholders are holding securities in demat mode.**
3. Alternatively shareholders/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing the above-mentioned documents.
4. In terms of the SEBI circular dated December 9, 2020, on the e-voting facility provided by Listed Companies and individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account to access the e-voting facility.

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

1. The procedure for e-voting on the day of the AGM is the same as the instructions mentioned above for remote e-voting.
2. Only those members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system in the AGM.
3. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access by following the steps mentioned above for **Access to NSDL e-voting system**. After successful login, you can see the link of "VC/OAVM" placed under the **"Join Meeting"** menu against the company name. You are requested to click on the VC/OAVM link placed under the Join Meeting menu. The link for VC/OAVM will be available in the Shareholder/Member login where the EVEN of the Company will be displayed. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for a better experience.
3. Further Members will be required to allow a Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, and mobile number at afl@asianfertilizers.com. The same will be replied by the company suitably.
6. Those shareholders who have registered themselves as speaker will only be allowed to express their views/ask questions during the meeting.

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

ITEM NO. 3

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s K.S. Bhatnagar & Associates, Cost Accountant, New Delhi as Cost Auditor to conduct the audit of the cost records of fertilizers phosphate of the Company for the financial year ending March 31, 2026 at a remuneration of Rs. 50000/- plus out of pocket expenses incurred for traveling, lodging and other expenses in connection with conducting the cost audit.

In accordance with the provisions of Section 148 of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor as recommended by the Audit Committee and approved by the Board, has to be ratified by the members of the Company.

Accordingly, ratification by members is sought for passing an Ordinary Resolution as set out at Item No. 3 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending March 31, 2026.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution.

ITEM NO. 4

This explanatory statement is provided in accordance with Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). In accordance with the provisions of Section 204 and other applicable provisions of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) ("the Act"), every listed company and certain other prescribed categories of companies are required to annex a Secretarial Audit Report, issued by a Practicing Company Secretary, to their Board's report, prepared under Section 134(3) of the Act. Additionally, a listed entity must appoint a Secretarial Auditor for a terms of five consecutive years, with shareholder approval to be obtained at the Annual General Meeting. Accordingly, based on the recommendation of the Audit Committee, the Board of Directors has approved the appointment of Mr. Awashesh Dixit, Company Secretary, as the Secretarial Auditors of the Company for a period of five years, commencing from September 30, 2025, to September 30, 2030. The appointment is subject to shareholders' approval at the Annual General Meeting.

ITEM NO. 5

Mr. Ashok Kumar Matanhelia (**DIN: 01763776**) was re-appointed as the Managing Director of the Company. In appreciation of the dedicated services and having regard to the increased responsibilities shouldered and rich & diversified experience in the industry and improved performance of the Company, In view of increased contribution made by him in the management of affairs of the Company, Company decided to re-appointment him with fresh terms and conditions as per Companies Act, 2013 w.e.f. 01/01/2026 pursuant to the provisions of Section 196, 197, 198, 203 and other applicable provisions and subject to the provisions of schedule V of the Companies Act, 2013.

As per sub section (4) of section 196 the terms and conditions of the appointment of the Managing Director and sub section (4) of section 197 the terms and conditions of the remuneration payable shall be subject to the approval by the shareholder in the Annual general meeting. Therefore, the Board of directors of the Company places the proposal in the Annual general meeting for the approval of the shareholders by way of passing of ordinary resolution. Brief resume of Mr. Ashok Kumar Matanhelia pursuant to SEBI (LODR), 2015 is given below:

Qualification:	Graduate
Experience	He has an industrial vast experience in the phosphatic fertilizer industry and associated with company from the very beginning as a promoter.
Relationship with other directors and KMP	Husband of Mrs. Usha Matanhelia and father of Mr. Somil Matanhelia and Mr. Shobhit Matanhelia (WTD's)
Directorship in other Companies	1
Membership / chairmanship in Committees of other Companies	0

Mr. Ashok Kumar Matanhelia is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Managing Director.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives (except Mr. Somil Matanhelia, Mrs. Usha Matanhelia, Mr. Shobhit Matanhelia) are, in any way, concerned or interested, financially or otherwise, in this resolutions.

ITEM NO. 6

Mr. Somil Matanhelia (**DIN: 01738413**) who was Whole Time Director of the Company. But in view of increased contribution made by him in the management of affairs of the Company, Company decided to re-appointment him with fresh terms and conditions as per Companies Act, 2013 w.e.f. 01/01/2026 pursuant to the provisions of Section 196, 197, 198, 203 and other applicable provisions and subject to the provisions of schedule V of the Companies Act, 2013.

As per sub section (4) of section 196 the terms and conditions of the appointment of the Whole Time Director and sub section (4) of section 197 the terms and conditions of the remuneration payable shall be subject to the approval by the shareholder in the Annual general meeting. Therefore the Board of directors of the Company place the proposal in the Annual general meeting for the approval of the shareholders by way of passing ordinary resolution.

Brief resume of Mr. Somil Matanhelia pursuant to SEBI (LODR), 2015 is given below:

Qualification	MBA
Experience	Marketing and Finance
Relationship with other directors and KMP	Son of Mrs. Usha Matanhelia and Ashok Matanhelia and brother of Mr. Shobhit Matanhelia (WTD's)
Directorship in other Companies	2
Membership / chairmanship in Committees of other Companies	0

Mr. Somil Matanhelia is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Whole Time Director.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives (except Mr. Ashok Kumar Matanhelia, Mrs. Usha Matanhelia, Mr. Shobhit Matanhelia) are, in any way, concerned or interested, financially or otherwise, in this resolutions.

ITEM NO. 7

Mr. Shobhit Matanhelia (**DIN: 07110180**) who was Whole Time Director of the Company. But in view of increased contribution made by him in the management of affairs of the Company, Company decided to re-appointment him with fresh terms and conditions as per Companies Act, 2013 w.e.f. 01/01/2026 pursuant to the provisions of Section 196, 197, 198, 203 and other applicable provisions and subject to the provisions of schedule V of the Companies Act, 2013.

As per sub section (4) of section 196 the terms and conditions of the appointment of the Whole Time Director and sub section (4) of section 197 the terms and conditions of the remuneration payable shall be subject to the approval by the shareholder in the Annual general meeting. Therefore the Board of directors of the Company place the proposal in the Annual general meeting for the approval of the shareholders by way of passing ordinary resolution.

Brief resume of Mr. Somil Matanhelia pursuant to SEBI (LODR), 2015 is given below:

Qualification	MBA
Experience	Marketing and Finance
Relationship with other directors and KMP	Son of Mrs. Usha Matanhelia and Ashok Matanhelia and brother of Mr. Somil Matanhelia (WTD's)
Directorship in other Companies	2
Membership / chairmanship in Committees of other Companies	0

Mr. Shobhit Matanhelia is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Whole Time Director.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives (except Mr. Ashok Kumar Matanhelia, Mrs. Usha Matanhelia, Mr. Shobhit Matanhelia) are, in any way, concerned or interested, financially or otherwise, in this resolutions.

ITEM NO 8

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings with the related parties of the Company. The provisions of Section 188(1) of the Companies Act, 2013 govern the Related Party Transactions for entering into any contract, transactions or arrangement with the related party(ies), the Company obtain the approval of Shareholders by way of a Resolution as prescribed in rule 15 of the Companies(Meeting of Board and its Power) Rules,2014 in the following matters:

1. Sale, purchase or supply of any goods or materials;
2. Selling or otherwise disposing of, or buying, property of any kind;
3. Leasing of property of any kind;
4. Availing or rendering of any services;
5. Appointment of any agent for purchases or sale of goods, materials, Services or property;
6. Such related party's appointment to any office or place of profit in the Company, its subsidiary company or associate company and
7. Underwriting the subscription of any securities or derivatives thereof, of the Company.

In the light of provisions of the Companies Act, 2013, the Board of Directors of your Company has approved the proposed transactions along with annual limit that your Company may enter into with the related parties (as defined under section 2(76) of the Companies Act, 2013). The particulars of the transaction pursuant to the provisions of Section 188 and the Companies (Meetings of Board and its Powers) Rules, 2014 are as under:

- 1) Name of the Related Party (Given in Below table)
- 2) Name of the Director or Key Managerial Personnel who is related, if any (Given in below table)
- 3) Nature of Relationship (Given in below table)

Name of the Related Party	Name of the Director/KMP who is related and their nature of relationship
Poorvanchal Acid Pvt. Ltd.	Mr. Somil Matanhelia, Whole Time Director and Mr. Shobhit Matanhelia, Whole Time Director are Common Directors and promoters carry shareholding interest.
Pashupati Roadways	Mr. Somil Matanhelia is a proprietor of the Company.

4) Nature, material terms, monetary value and particulars of the contract or arrangement: The details are as mentioned below:

- a) **Sale, purchase or supply of any goods or materials:** The Company has entered into sale purchase business of Raw material and Finished Product with M/s Poorvanchal Acid Pvt. Ltd. on arm's length basis for a maximum transaction for the financial year 2025-26 is Rs. 100000000/- (Rupees ten crore only).
- b) **Leasing/ Renting of property:**
 - (i) The Company has also given on lease a part of factory premise located at Sardar Nagar, to Pashupati enterprises, owned by Directors Relative, on a Yearly lease rent payment of 3 lac. The amount being received is on arms length basis.
 - (ii) The Company has also taken on rent a office premise located at Park Road, Gorakhpur, which is owned by Mrs. Usha Matanhelia, Women Director of the Company, on a maximum yearly rent payment of Rs. 2000000/- . The amount being paid is on arms length basis.
- c) **Availing or rendering of any services:** The Company has entered a contract for availing services for transportations of goods from Pashupati Roadways which is owned by his Director of the Company. The amount being paid for each service is on arm's length basis.

After recommendation of the Audit Committee, the Board is of the opinion that the aforesaid related party transaction is in the best interests of the Company. Your Directors recommend passing of this resolution by way of an ordinary resolution.

Except Mr. Ashok Kumar Matanhelia, Mr. Somil Matanhelia, and Mr. Shobhit Matanhelia and his relatives, none of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution.

Date: 29/05/2025

Place: Gorakhpur

sd/-
Kunika Meghani
Company Secretary &
Compliance Officer

