FACT
प्रगति के पथप्रदर्शक
PIONEERS IN PROGRESS

वार्षिक रिपोर्ट
82nd ANNUAL REPORT 2025-26

दि फ़र्टिलाइज़र्स एण्ड केमिकल्स ट्रावनकोर लिमिटेड
(भारत सरकार का उद्यम)

THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED
(A Government of India Enterprise)

Shri. APM Mohammed Hanish IAS, Additional Chief Secretary (Industries) Government of Kerala inaugurating New Di Ammonium Phosphate (DAP) Plant at Udyogamandal in the presence of Smt. Priyanka. G IAS, District Collector Ernakulam and Shri S Sakthimani, C & MD

First Lorry Dispatch of FACT DAP Fertiliser

BOARD OF DIRECTORS

Shri. S. Sakthimani
Chairman & Managing Director

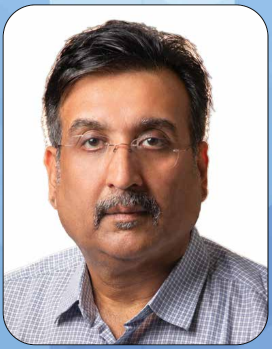
Shri. Niranjan Suryabhan Sonak
Director (Marketing)

Shri. Sajo K F
Director (Technical)

Shri Manoj Sethi
Director

Shri Santosh Kumar
Director

Shri. Narpat Singh Rathore
Director



Shri. Ramawatar Rajgarhia
Director

FACT
PIONEERS IN PROGRESS

CORPORATE INFORMATION

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Shri. Sajo K F
Director (Technical)

Shri. Manoj Sethi
Govt. Nominee Director

Shri. Santosh Kumar
Govt. Nominee Director

Shri. Narpat Singh Rathore
Independent Director

Shri. Ramawatar Rajgarhia
Independent Director

Shri. S.C. Mudgerikar
Chairman & Managing Director (Upto 31-12-2025)

Shri. Billeswar Sinha
Independent Director (Upto 30-03-2026)

Dr. Aruna Kamineni
Independent Director (Upto 04-05-2026)

Dr. Jayachandran K.
Director (Technical) (Upto 31-05-2026)

Shri. M. Chandran
Independent Director (Upto 19-06-2026)

Shri. Anupam Misra
Director (Marketing) (Upto 30-06-2026)

CHIEF VIGILANCE OFFICER

Dr. Soorya Thankappan, IPS

EXECUTIVE DIRECTOR

Shri. Manikkuttan R.
Production Co-ordination

CHIEF GENERAL MANAGERS

Shri. K. B. Jayaraj
Administration

Shri. Dileep R.
Udyogamandal Complex

Shri. Biju K.B.
Cochin Division

Shri. Jayanthan B.
Materials

CHIEF FINANCIAL OFFICER

Shri. Pradeep Kumar C.

COMPANY SECRETARY

Ms. Susan Abraham

AUDITORS

Statutory Auditors
M/s G Venugopal Kamath & Co
Chartered Accountants, Kochi

Secretarial Auditors
M/s SVJS & Associates
Company Secretaries, Kochi

Cost Auditors
M/s BBS & Associates
Cost Accountants, Kochi

Branch Auditors

M/s Lily & Geetha Associates LLP
Chartered Accountants, Chennai

M/s RB Kabra & Co
Chartered Accountants, Hyderabad

Registrar & Share Transfer Agents
Purva Sharegistry India Pvt Ltd,
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Marg, Lower Parel (East),
Mumbai, Maharashtra - 400 011
Tel: 2301 2518 /2301 6761
Email: support@purvashare.com

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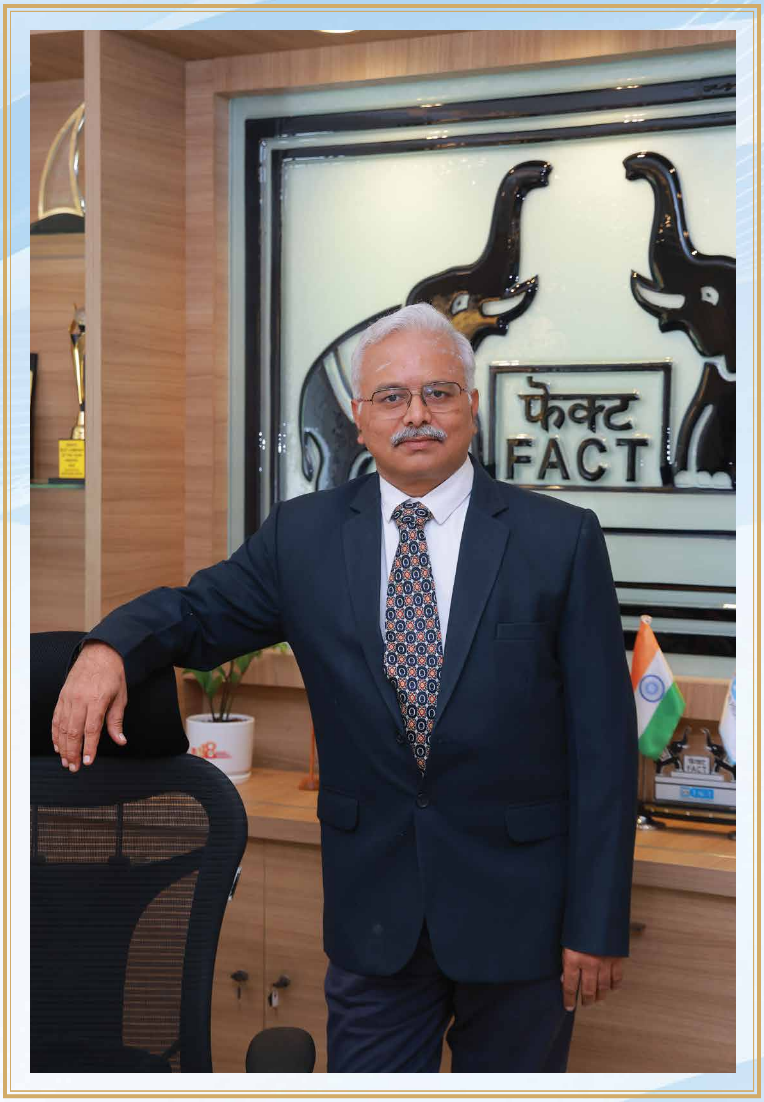
E-mail : investors@factltd.com

ISIN:
INE188A01015
CIN:
L24129KL1943GOI000371
Stock Exchange :
National Stock Exchange
of India Ltd.

BANKERS

State Bank of India | Bank of Baroda | Bank of India | Canara Bank

CHAIRMAN'S *Message*



Dear Shareholders,

It gives me immense pleasure to address you on the occasion of the **82nd Annual General Meeting of The Fertilisers and Chemicals Travancore Limited** and to present the performance of your Company for the financial year 2025–26.

At the outset, I extend my sincere gratitude to all our shareholders for your continued trust and confidence in FACT. FACT's journey is unique in the history of Indian industry. Established in 1943 and commencing production in 1947, FACT pioneered large-scale fertiliser manufacturing in independent India. For more than eight decades, this institution has stood alongside the Indian farmer, contributing to agricultural productivity, food security and national development.

Generations of FACT employees have built this institution through dedication, technical excellence, resilience and a deep sense of responsibility. Today, as we look towards the future, we carry forward that proud legacy with a renewed ambition. Our objective is not merely to preserve what has been created over the last eight decades. Our objective is to build a larger, stronger, more integrated and more resilient FACT for the decades ahead.

A YEAR OF RESILIENCE

The financial year 2025–26 was undoubtedly a challenging year for the fertiliser industry. Geopolitical developments, particularly continuing uncertainty in West Asia, disrupted international supply chains and caused substantial volatility in the prices of critical raw materials.

For FACT, the impact was particularly significant because sulphur, sulphuric acid, phosphoric acid, ammonia and natural gas are important inputs for our operations. Sharp escalation in sulphur and sulphuric acid prices, adverse foreign-exchange movements and constraints in the availability of RLNG placed considerable pressure on operating margins. Against this difficult environment, your Company recorded Revenue from Operations of ₹5,723.76 crore and reported a loss of ₹39.60 crore for the year.

While the financial result reflects the extraordinary external cost pressures experienced during the year, I believe it is equally important to look at the strength of our underlying operations. Despite these challenges, FACT achieved fertiliser production of 11.13 lakh metric tonnes, comprising approximately 8.30 lakh MT of Factamfos and 2.83 lakh MT of Ammonium Sulphate. Our total sales, including traded products, reached 13.37 lakh MT.

Ammonium Sulphate sales increased by approximately 12%, from 2.67 lakh MT to nearly 3 lakh MT. NP fertiliser sales increased by approximately 11%, reaching almost 8 lakh MT. We also recorded an all-time high sale of 27,505 MT of organic fertilisers, including products promoted under PM-PRANAM. These numbers tell an important story. FACT faced strong external headwinds, but the organisation did not lose its operational momentum, its market presence or the confidence of the farming community. That resilience gives us confidence as we move forward.

STRENGTHENING OUR MARKET

During the year, FACT continued to strengthen and diversify its market presence. Traditionally, FACT has enjoyed a very strong position in South India, particularly in Kerala, Tamil Nadu, Karnataka, Andhra Pradesh and Telangana. Our flagship NPK grade 20:20:0:13 continued to command a market share exceeding 30% in South India, reflecting the strength and credibility of the FACT brand.

At the same time, we have begun expanding beyond our traditional territories. During the year, FACT entered newer markets including Chhattisgarh and Uttar Pradesh. We also broadened our product basket through imported DAP, imported TSP and traded SSP. This represents an important change in our strategic thinking. FACT of the future must not remain dependent upon a limited number of products or a limited geographical market. We intend to progressively develop a wider product portfolio, broader geographical reach and stronger national presence, while continuing to protect and strengthen our leadership position in South India.

THE INDIAN FERTILISER OPPORTUNITY

The long-term fundamentals of Indian agriculture and the fertiliser industry remain strong. India recorded estimated foodgrain production of approximately 376.56 million tonnes during 2025–26, the highest level achieved so far. At the same time, the assessed requirement of major fertilisers increased from approximately 649 LMT in 2024–25 to 677 LMT in 2025–26. These developments underline an important reality.

As India grows, agricultural productivity must continue to grow. As agricultural productivity increases, fertilisers will continue to remain a critical input—along with better seeds, water management, mechanisation, technology and scientific farming practices. The Government of India has continued to play a vital role in ensuring adequate availability of fertilisers to farmers at affordable prices. Through advance planning, domestic production, strategic imports and international supply arrangements, fertiliser availability was maintained at comfortable levels during the year despite significant global uncertainty. Therefore, while short-term volatility will remain a feature of the global fertiliser business, the structural demand outlook for the Indian fertiliser industry remains positive. This provides significant long-term opportunities for FACT.

FROM CAPACITY CONSTRAINT TO CAPACITY CREATION

The most exciting development in your Company today is the transformation taking place in our manufacturing capacity. Our new 1,650 TPD NP plant at Cochin Division is approaching commissioning. This is much more than the commissioning of another production unit. It represents a major step in FACT's growth journey. Once commissioned and stabilised, the new plant has the potential to increase our fertiliser manufacturing capability from around 10 lakh MT annually to approximately 15 lakh MT annually. This represents an increase of nearly 50% in manufacturing capacity.

For a Company with more than eight decades of history, such an expansion is significant. The additional capacity will enable us to better serve our established markets, enter new markets, introduce additional product grades and increase the overall scale of our operations. But we recognise that increasing finished-product capacity alone is not sufficient. A fertiliser plant can perform only when its critical raw materials and intermediates are available reliably and competitively. Therefore, the next phase of our strategy places strong emphasis on raw-material security and backward integration. We are examining measures to enhance our production of Phosphoric Acid and Sulphuric Acid, strengthen our storage infrastructure and increase shore-tank capacities for critical materials such as Sulphuric Acid and Ammonia. Our objective is very clear: We must progressively reduce vulnerability to external disruptions and create a more integrated and resilient manufacturing system.

CAPEX 2.0 – BUILDING THE NEXT FACT

Building upon the projects presently nearing completion, FACT has proposed an ambitious second phase of growth under CAPEX 2.0, involving an investment of approximately ₹6,350 crore. The Board has accorded in-principle approval to these capacity-expansion projects, and the proposal is presently under consideration of the Government of India. CAPEX 2.0 is not simply a collection of individual projects. It represents our vision for the next generation of FACT. It seeks to increase manufacturing capacity, strengthen intermediate production, improve infrastructure, enhance operational integration and expand our product portfolio. More importantly, these investments are closely aligned with the national objective of Atmanirbhar Bharat.

Recent global events have demonstrated that raw-material security and fertiliser security are closely linked to national food security. India cannot remain excessively dependent upon distant and volatile international supply chains for critical agricultural inputs.As one of India's oldest fertiliser companies and a Central Public Sector Enterprise with significant industrial infrastructure and technical capability, FACT has both an opportunity and a responsibility to contribute to this national objective.

A NEW OPPORTUNITY IN UREA

One particularly important development during 2026 has been the Government of India's approval of the National Investment Policy for Urea – 2026, or NIPU-2026. The policy seeks to encourage fresh investment in gas-based urea manufacturing capacity and strengthen India's journey towards self-sufficiency in urea. For FACT, this policy assumes particular significance. Your Company is among the few major fertiliser enterprises in the country without its own urea manufacturing facility. FACT possesses several strategic strengths—an established industrial location, port connectivity, extensive fertiliser infrastructure, a strong marketing network, experienced manpower and a recognised brand.

Against this backdrop, the Company is exploring the feasibility of establishing a new urea manufacturing facility, including possibilities for appropriate strategic partnerships. Any such investment will naturally be subject to detailed technical, financial and commercial evaluation and the necessary Government approvals. Nevertheless, the emerging policy environment creates an opportunity that deserves serious consideration. A future urea project could significantly broaden FACT's product portfolio, strengthen our scale and contribute directly to India's objective of reducing dependence on imported urea.

FROM VOLUME TO VALUE

Our vision for FACT goes beyond increasing tonnes of production. The future fertiliser industry will increasingly be driven by nutrient efficiency, balanced fertilisation, soil health, sustainability and technology. Indian agriculture is changing. Farmers are adopting better seeds, mechanisation, digital technology, precision agriculture and improved farm-management practices.

Fertiliser companies must change along with agriculture. The industry must progressively move from the philosophy of merely selling fertilisers towards providing better plant nutrition solutions. FACT has already started moving in this direction. Our organic fertiliser portfolio is growing. Our farmer-engagement programmes continue to promote balanced nutrient application and sustainable agricultural practices. During the year, FACT undertook Village Adoption Programmes at Mathur in Palakkad District and Kothamangalam in Ernakulam District, aimed at improving awareness of balanced nutrition and sustainable farming. Going forward, we intend to strengthen this engagement and explore products that improve nutrient-use efficiency while responding to changing agricultural requirements.

EFFICIENCY MUST ACCOMPANY EXPANSION

As we invest in new capacity, we remain equally conscious that sustainable growth cannot come from investment alone. As we expand, efficiency must remain a core priority. Our plants must operate with higher reliability. Our energy and raw material consumption needs to be optimised. Plant availability must increase. Maintenance practices must become more predictive. Digitalisation, automation, artificial intelligence and advanced process-control systems must increasingly support our operations.

Every tonne of additional production achieved through better utilisation of our existing assets creates value without requiring equivalent additional capital investment. Therefore, operational excellence will remain one of FACT's highest priorities. The organisation is being encouraged to continuously question existing practices, adopt new technologies and identify opportunities for improving productivity, reliability, safety and cost efficiency.

FINANCIAL STRENGTHENING

The long-term transformation of FACT must also be supported by a stronger financial structure. The Company has submitted a Financial Restructuring Proposal to the Government of India, including conversion of a portion of Government loans into equity, write-off of interest and restructuring of the balance Government loan. The proposal is under consideration of the Department of Fertilizers.

GOVERNANCE AND RESPONSIBILITY

Even as we pursue ambitious growth, our commitment to responsible governance remains uncompromising. FACT continues to maintain high standards of transparency, accountability and corporate governance. The Company has consistently received an 'Excellent' rating for compliance with the DPE Corporate Governance Guidelines.

Our responsibility also extends beyond our factory gates. During 2025–26, FACT allocated ₹226.38 lakh towards Corporate Social Responsibility activities, covering rural development, healthcare and sanitation, education and skill development, women empowerment and sustainable agriculture.

For an institution such as FACT, commercial progress and social responsibility cannot be separated. We have grown with the communities around us, and their progress will always remain part of our own journey.

THE ROAD AHEAD

Dear Shareholders,

The world around us will continue to remain uncertain. Commodity prices may fluctuate. Geopolitical events may disturb supply chains. Raw-material availability may periodically challenge our operations. But an organisation should not be defined by the difficulties it faces. It should be defined by the way it responds to those difficulties. FACT's response is clear. We will produce more. We will operate better. We will secure our raw materials more effectively.

We will expand our product portfolio and our markets. We will embrace technology and improve efficiency. We will invest in the future. And we will continue to serve the Indian farmer and contribute to the nation's fertiliser security. The commissioning of the 1,650 TPD NP plant will mark the beginning of an important new chapter. CAPEX 2.0 has the potential to take the Company to an entirely different scale. Strengthening our intermediate production will improve resilience. Expansion into new products and markets will create additional avenues for growth. And the possibility of entering urea manufacturing could further transform FACT's strategic position in the years ahead. We are therefore not looking at the future merely with optimism. We are preparing for it with investment, technology, capacity and determination.

ACKNOWLEDGEMENT

On behalf of the Board of Directors, I express my sincere gratitude to the Government of India, particularly the Department of Fertilizers, Ministry of Chemicals and Fertilizers, for its continued support, guidance and encouragement.

I also thank the Government of Kerala for its continued cooperation. I place on record my appreciation for our employees, whose commitment and perseverance remain the greatest strength of FACT. I thank our Officers' Forums and Trade Unions for their cooperation and constructive engagement. I also express my sincere appreciation to our suppliers, contractors, business partners, dealers, bankers, auditors and other stakeholders.

Most importantly, I thank the farming community, whose continued confidence in FACT has sustained this institution for generations. And to you, our shareholders, I once again express my gratitude for your continued faith in the Company. FACT has travelled a remarkable journey of more than eight decades. But I firmly believe that some of the most important chapters in FACT's history are still to be written.

We have before us the opportunity to transform FACT into a larger, more efficient, more integrated and more diversified fertiliser enterprise. We have the opportunity to make FACT an even stronger contributor to **Atmanirbhar Bharat**. And we have the opportunity to ensure that this historic institution continues to serve Indian agriculture and the nation for generations to come.

Together, we will build on our legacy. Together, we will strengthen FACT. And together, we will build the FACT of tomorrow.

Thank you.
Jai Hind.

Udyogamandal
24.08.2026

(S. Sakthimani)
Chairman & Managing Director

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PIONEERS IN PROGRESS

10 YEARS FINANCIAL HIGHLIGHTS

₹ in Lakh

Sl. No.	Particulars	2025-26	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17
		As per Ind AS Schedule III of the Companies Act 2013									
1	Sales	3,12,715	2,42,600	2,93,282	3,15,006	2,71,197	2,23,709	1,88,538	1,34,762	1,33,946	1,27,146
2	Subsidy	2,57,292	1,61,129	2,11,221	3,04,261	1,70,579	1,01,648	86,485	58,649	57,655	57,270
3	Income from Contracts & Services	2,369	1,362	618	547	705	526	1,969	2,048	1,266	3,912
4	**Revenue from Operations (1+2+3)**	**5,72,376**	**4,05,091**	**5,05,121**	**6,19,814**	**4,42,481**	**3,25,883**	**2,76,992**	**1,95,459**	**1,92,867**	**1,88,328**
5	Other Income	17,632	21,645	20,312	13,558	11,123	6,759	3,163	2,270	4,162	1,804
6	**Total Income**	**5,90,008**	**4,26,736**	**5,25,433**	**6,33,372**	**4,53,604**	**3,32,642**	**2,80,155**	**1,97,729**	**1,97,030**	**1,90,132**
7	Material Consumed	3,44,243	2,25,959	2,99,345	4,17,898	2,77,086	1,39,048	1,52,367	1,36,903	1,08,024	1,08,741
8	Purchases of Stock-in-trade	1,19,227	47,753	36,390	504	298	34,091	7,214	240	169	9,868
9	Stock: (Accretion)/Decretion	(17,994)	13,663	(5,120)	(44,895)	656	9,672	860	(7,698)	(3,053)	(8,120)
10	Employee Benefits Expenses	29,937	27,468	28,380	28,819	23,176	22,922	23,302	22,981	24,942	24,397
11	Repairs & Maintenance	5,317	4,576	5,789	4,397	4,781	3,997	3,443	3,363	3,443	3,494
12	Power & Fuel	37,923	35,856	60,549	75,153	42,788	21,315	25,478	11,789	16,459	16,681
13	Other Manufacturing Expenses	46,803	40,332	44,006	62,448	34,117	39,755	36,421	26,917	26,095	28,743
14	**Total Expenditure**	**5,65,456**	**3,95,607**	**4,69,339**	**5,44,324**	**3,82,902**	**2,70,800**	**2,49,085**	**1,94,495**	**1,76,079**	**1,83,804**
15	**Gross Margin (6-14)**	**24,552**	**31,129**	**56,094**	**89,048**	**70,702**	**61,842**	**31,070**	**3,234**	**20,950**	**6,328**
16	Finance Cost	24,973	24,554	24,693	24,754	24,441	24,526	28,934	28,053	32,142	30,466
17	Depreciation / Impairment Loss	3,570	3,662	2,657	3,011	2,719	2,269	1,802	2,302	1,715	2,130
18	**Profit/(Loss) before Exceptional items and tax**	**(3,991)**	**2,913**	**28,744**	**61,283**	**43,543**	**35,047**	**334**	**(27,121)**	**(12,906)**	**(26,268)**
19	Exceptional Items- Income (+)/ Expenses (-)	-	2,461	(24,559)	-	(8,906)	-	97,217	43,390	-	-
20	**Profit/(Loss) before tax**	**(3,991)**	**5,374**	**4,185**	**61,283**	**34,637**	**35,047**	**97,550**	**16,269**	**(12,906)**	**(26,268)**
21	Provision for taxation	(31)	1,251	(8,642)	-	-	-	-	-	-	-
22	**Net Profit / (Loss)**	**(3,960)**	**4,123**	**12,828**	**61,283**	**34,637**	**35,047**	**97,550**	**16,269**	**(12,906)**	**(26,268)**
23	**Income (+)/expenses (-) accounted as Re-statement of opening balance in line with Ind AS 8**	-	-	-	-	-	-	**47,956**	-	-	-
24	**Net Profit / (Loss) after restatement**	**(3,960)**	**4,123**	**12,828**	**61,283**	**34,637**	**35,047**	**1,45,506**	**16,269**	**(12,906)**	**(26,268)**
25	**Other Comprehensive Income**	**4,447**	**3,440**	**2,054**	**(111)**	**1,609**	**(3,503)**	**533**	**1,800**	**268**	**2,794**
26	Proposed Dividend	-	2,524	6,277	6,471	-	-	-	-	-	-
	ASSETS										
27	Net block	91,987	92,010	79,458	78,218	78,309	73,236	73,710	25,394	29,472	29,681
28	Capital work-in-progress	29,352	21,626	22,357	10,459	4,251	5,498	3,896	1,792	1,850	2,435
29	Non-Current assets, Loans & Advances	27,475	7,369	7,689	17,475	4,189	6,583	4,145	1,175	1,011	808
30	Deferred Tax Asset	7,423	7,392	8,642	-	-	-	-	-	-	-
31	Investments	18,542	15,807	13,037	11,286	9,788	8,627	7,812	6,906	5,927	4,572
32	Finished Goods	70,575	46,674	68,484	64,527	20,846	22,346	32,460	34,726	27,002	23,661
33	Work in progress	8,812	14,718	6,571	5,407	4,193	3,349	2,908	1,502	1,527	1,815
34	Raw Materials	34,153	23,359	30,376	20,133	30,725	15,897	11,490	19,439	10,474	7,881
35	Stores,Spares & Loose tools	9,781	9,476	8,657	7,512	10,248	9,445	9,055	9,192	8,604	9,322
36	Materials in transit	400	275	282	233	167	526	414	342	268	231
37	Sundry debtors	35,220	28,348	15,814	47,888	17,523	10,438	39,016	40,531	36,108	50,607

10 YEARS FINANCIAL HIGHLIGHTS

₹ in Lakh

Sl. No.	Particulars	2025-26	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17
		As per Ind AS Schedule III of the Companies Act 2013									
38	Cash & bank balance	1,67,069	2,77,737	2,67,932	2,38,784	1,87,646	1,66,687	68,472	7,467	6,365	5,218
39	Loans & advances	-	-	-	-	-	-	-	52	54	3
40	Other Current Assets	95,915	53,348	50,438	41,506	1,06,041	61,767	55,554	82,922	51,661	20,495
41	**Total Assets**	**5,96,704**	**5,98,139**	**5,79,737**	**5,43,428**	**4,73,926**	**3,84,399**	**3,08,932**	**2,31,440**	**1,80,322**	**1,56,729**
	LIABILITIES										
42	Share Capital (Incl. Pending allotment)	64,707	64,707	64,707	64,707	64,707	64,707	64,707	64,707	64,707	64,707
43	Retained Earnings	52,099	56,870	58,355	51,694	(7,981)	(43,066)	(73,796)	(2,18,579)	(2,35,622)	(2,20,218)
44	Capital Reserve	51	52	52	53	54	55	57	59	61	63
45	Equity Instruments through OCI	18,176	15,441	12,670	10,920	9,422	8,261	7,446	6,540	5,561	4,205
46	Non Current Liabilities :-										
47	Long term borrowings	-	-	-	510	1,020	1,530	90,564	1,79,599	1,77,049	1,77,049
48	Other non-current liabilities & Long term provisions	12,590	18,489	20,384	23,149	24,773	22,495	19,962	18,082	17,066	12,802
49	Short term borrowings	1,80,050	1,77,049	1,77,559	1,80,399	1,79,502	1,77,559	91,504	47,793	50,737	63,182
50	Interest accrued on borrowings	2,15,114	1,91,213	1,67,311	1,43,409	1,19,508	95,606	71,704	47,803	23,902	-
51	Other Current Liabilities	50,354	71,866	76,245	65,169	77,972	51,584	34,614	83,656	75,047	53,446
52	Provisions	3,563	2,453	2,454	3,418	4,949	5,668	2,170	1,780	1,815	1,493
53	**Total Liabilities**	**5,96,704**	**5,98,139**	**5,79,737**	**5,43,428**	**4,73,926**	**3,84,399**	**3,08,932**	**2,31,440**	**1,80,322**	**1,56,729**
54	**Networth (42+43)**	**1,16,806**	**1,21,577**	**1,23,062**	**1,16,401**	**56,726**	**21,641**	**(9,089)**	**(1,53,872)**	**(1,70,915)**	**(1,55,511)**
55	**Capital Employed**	**5,27,196**	**5,05,331**	**4,80,654**	**4,51,692**	**3,66,232**	**3,04,652**	**2,52,186**	**1,27,922**	**86,394**	**88,988**
56	**Total Current Assets**	**4,21,925**	**4,53,935**	**4,48,554**	**4,25,990**	**3,77,389**	**2,90,455**	**2,19,369**	**1,96,173**	**1,42,062**	**1,19,233**
57	**Total Current Liabilities & Provisions**	**4,49,081**	**4,42,580**	**4,23,569**	**3,92,395**	**3,81,931**	**3,30,417**	**1,99,992**	**1,81,032**	**1,51,502**	**1,18,121**
58	**Net Working Capital (56-57)**	**(27,156)**	**11,355**	**24,985**	**33,595**	**(4,542)**	**(39,962)**	**19,377**	**15,141**	**(9,440)**	**1,112**
	Installed Capacity (MT)										
	Ammonium Sulphate	2,25,000	2,25,000	2,25,000	2,25,000	2,25,000	2,25,000	2,25,000	2,25,000	2,25,000	2,25,000
	Factamphos 20:20	6,33,500	6,33,500	6,33,500	6,33,500	6,33,500	6,33,500	6,33,500	6,33,500	6,33,500	6,33,500
	Caprolactam	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
	N content	1,73,050	1,73,050	1,73,050	1,73,050	1,73,050	1,73,050	1,73,050	1,73,050	1,73,050	1,73,050
	P2O5 content	1,31,900	1,31,900	1,31,900	1,31,900	1,31,900	1,31,900	1,31,900	1,31,900	1,31,900	1,31,900
	Production (MT)										
	Ammonium Sulphate	2,83,168	2,50,578	2,42,577	2,44,732	1,36,665	2,45,676	2,20,951	1,41,754	1,80,178	1,52,953
	Factamphos 20:20 *	8,30,389	6,44,768	8,27,717	8,28,195	8,26,552	8,61,455	8,44,738	6,34,362	6,61,973	6,54,361
	Caprolactam	0	0	34,662	44,754	20,835	-	-	-	-	770
	N content	2,24,410	1,80,573	2,15,514	2,16,054	1,93,463	2,22,900	2,14,464	1,56,074	1,69,511	1,62,381
	P2O5 content	1,66,078	1,28,954	1,65,543	1,65,639	1,65,310	1,72,291	1,68,948	1,26,872	1,32,395	1,30,872
	Capacity utilisation (%)										
	N content	129.68	104.35	124.54	124.85	111.80	128.81	123.93	90.19	97.95	93.83
	P2O5 content	125.91	97.77	125.51	125.58	125.33	130.62	128.09	96.19	100.38	99.22

** including Zinc coated NP 20:20:0:13 of 10150 MT during the year 2025-26*

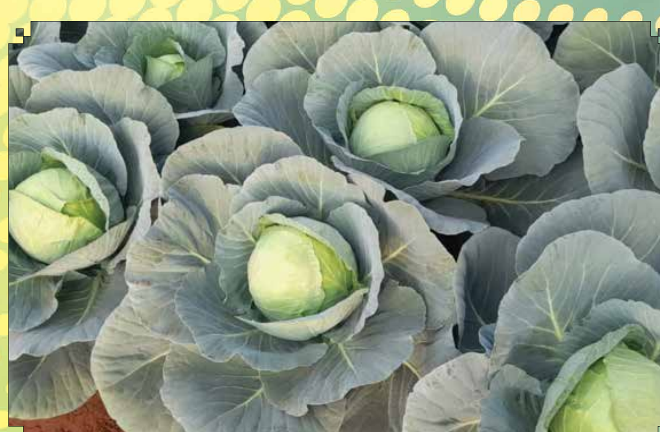
Shri S.C. Mudgerikar, the then C&MD, FACT, welcoming Shri Azad Kirti Jha, Chairperson of the Standing Committee on Chemicals & Fertilizers.

Dr. K. Jayachandran, then Director (Technical), inaugurating World Water Day celebrations held at FACT, Cochin Division

FIT India Freedom Run 6.0 held at FACT, Udyogamandal

Farmer Meetings

FACT Cabbage Demonstration Plot at Kadoli Village, Belgaum Territory.



Field Demonstrations

THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

CIN: L24129KL1943GOI000371
Registered Office: Eloor, Udyogamandal – 683 501, Kochi, Kerala
Phone: 0484-2546486
Website: www.fact.co.in E-mail: investors@factltd.com

NOTICE TO MEMBERS

Notice is hereby given that the 82nd Annual General Meeting of The Fertilisers and Chemicals Travancore Limited (FACT) will be held on Tuesday, **the 29th September 2026,** at 11.00 A.M. (IST), through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2026 and in this regard pass the following resolution as an Ordinary Resolution:

   RESOLVED THAT the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2026, together with the report of the Board of Directors, the Auditor's Report thereon and the Comments of the Comptroller and Auditor General of India, be and are hereby approved and adopted.

2. To fix the remuneration of Statutory Auditors and Branch Auditors for the Financial Year 2026-27 and in this regard, pass the following resolution as an Ordinary Resolution.

   RESOLVED THAT pursuant to Section 142 and other applicable provisions if any, of the Companies Act, 2013, the Board of Directors of the Company be and is hereby authorized to fix the remuneration of the Statutory Auditors and Branch Auditors appointed by the Comptroller and Auditor General of India (C&AG) for the financial year 2026-27.

3. To appoint a director in place of Shri. Manoj Sethi (DIN: 00301439) who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment, and in this regard, pass the following resolution as an Ordinary Resolution.

   RESOLVED THAT pursuant to the provisions of Section 152 (6) (e) of the Companies Act, 2013, Shri. Manoj Sethi, (DIN: 00301439), Joint Secretary and Financial Advisor, Department of Fertilizers, Ministry of Chemicals and Fertilizers, New Delhi, be and is hereby reappointed as a Director of the Company.

4. To appoint a director in place of Shri. Santosh Kumar (DIN : 11228100) who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment, and in this regard, pass the following resolution as an Ordinary Resolution.

   RESOLVED THAT pursuant to the provisions of Section 152 (6) (e) of the Companies Act, 2013, Shri. Santosh Kumar (DIN : 11228100), Chief Controller of Accounts, Department of Fertilizers, Ministry of Chemicals and Fertilizers, New Delhi, be and is hereby appointed as a Director of the Company.

Special Business

5. **To appoint Shri. Narpat Singh Rathore (DIN: 11891786), as an Independent Director of the Company.**

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

   RESOLVED that pursuant to the provisions of Section 149, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder read with Schedule

IV of the Act, and Articles of Association of the Company, Shri. Narpat Singh Rathore (DIN: 11891786) residing at House No. 1, Jain Colony, Main Laxmi Nagar Road, Paota B Road, Jodhpur (Raj.) - 342006., who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company for a period of three years with effect from date of notification of appointment, or until further orders, whichever is earlier, in terms of Letter No. 95/01/2025(vii)-HR-PSU (e-38759) dated 13th August 2026 issued by the Ministry of Chemicals and Fertilizers.

6. To appoint Shri. Ramawatar Rajgarhia (DIN: 00507738), as an Independent Director of the Company.

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

RESOLVED that pursuant to the provisions of Section 149, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under read with Schedule IV of the Act, and Articles of Association of the Company, Shri. Ramawatar Rajgarhia (DIN: 00507738) residing at Flat No- 1001, Panchwati Waxpol, Kanke Road, Ranchi Pin- 834008 who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company for a period of three year with effect from date of notification of appointment, or until further orders, whichever is earlier, in terms of Letter No. 95/01/2025(viii)-HR-PSU(e-38759) dated 13th August 2026 issued by the Ministry of Chemicals and Fertilizers.

7. Ratification of Remuneration to Cost Auditors for financial year ending 31st March, 2027.

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

RESOLVED THAT in accordance with the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration payable to M/s. Rajendran, Mani & Varier Cost Accountants, appointed by the Board of Directors on the recommendation of the Audit Committee, as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2027, amounting to ₹1,05,000/- plus out of pocket expenses (subject to a maximum of ₹10,000/-) incurred in connection with the aforesaid audit, be and is hereby ratified.

By Order of the Board of Directors

Sd/-
Susan Abraham
Company Secretary
M No. FCS 6067

Place: Udyogamandal
Date: 05-09-2026

Registered Office:

Eloor, Udyogamandal – 683 501,
Kochi, Kerala
Ph. 0484-2546486
Website: www.fact.co.in
E-mail: investors@factltd.com

Notes:

1. The Ministry of Corporate Affairs ("MCA"), vide its General Circular No. 20/2020 dated 5th May, 2020 read with the subsequent circulars issued from time to time, the latest one being General Circular No. 03/2025 dated 22nd September, 2025 and various Circulars issued by SEBI (hereinafter collectively referred to as "the Circulars") and all other relevant Circulars issued from time to time, has permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013, MCA Circulars, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and SEBI Circulars, the 82nd AGM of the Company is being held through VC / OAVM. The Corporate Office of the Company shall be deemed to be the venue for the AGM.

2. The relative explanatory statement required under Section 102 of the Companies Act, 2013 is given separately and relevant details regarding the Directors who are proposed to be appointed/ re-appointed, as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India, is annexed to this Notice.

E-voting & Meeting

3. As per the provisions of the Companies Act 2013, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA Circulars read with the SEBI Circulars, through VC/OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

4. In compliance with the MCA/ SEBI Circulars, Notice of the 82nd AGM along with the Annual Report for the financial year 2025-26 including the audited financial statements for the year ended March 31, 2026, is being sent by e-mail to Members whose e-mail addresses are registered with Company's RTA / Depository Participants (DP) and as letter, providing the web-link, including the exact path where complete details of the Annual Report including the Notice of the AGM is available, to those shareholders who have not registered their e-mail address with the Company / Registrar and Transfer Agent/ Depositories /Depository Participants. Members may note that the Notice and Annual Report 2025-26 will also be available on the Company's website https://fact.co.in/ , website of the Stock Exchange i.e., National Stock Exchange of India Limited at www.nseindia.com and on the website of CDSL at www.evotingindia.com.

5. 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 MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect

of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited ('CDSL') for facilitating voting through electronic means, as the authorized e-voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

6. Facility to join the meeting shall be open thirty (30) minutes before the scheduled time of the meeting and shall be kept open throughout the proceedings of the Meeting.

7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

8. Relevant documents referred to in this Notice or Explanatory Statement will be available electronically for inspection by the Members one hour before as well as during the AGM. Members seeking to inspect such documents can send an e-mail to investors@factltd.com.

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

10. The e-voting period begins on **26th September 2026 at 09.00 AM** and ends on **28th September 2026 at 05.00 PM**. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the Record Date (cut-off date) of **22nd September, 2026** may cast their vote electronically. The e-voting module for voting shall be disabled by CDSL thereafter. The right of e-voting shall be reckoned as on the cut-off date. A person who is not a member as on the cut-off date is requested to treat this Notice for information purposes only.

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

12. If any Votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility, then the votes cast by such members may be considered invalid as the facility of e-voting during the meeting is available only to the members attending the meeting.

13. Any person who acquires shares of the company and becomes a member after the Notice is sent as of the cut-off date i.e., 22nd September, 2026, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com

14. The Board of Directors of the Company has appointed M/s. DV & Associates, Company Secretaries, Door No. 52/2066, 2nd Floor, Tharayathu, Valiyaparambil Road (Lane 14), Janatha Road, Vyttila, Ernakulam - 682019 as Scrutiniser to scrutinize the remote e-voting in a fair and transparent manner.

15. Institutional / Corporate Members (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution / Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution / Authorization shall be sent to the Scrutinizer by email csvivekkumartg@gmail.com

16. Members who vote prior to the meeting date through remote e-voting, would not be entitled to vote at the meeting.

17. The Scrutinizer will submit his report to the Chairman of the Company or to any other person authorized by the Chairman, after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchange, CDSL and RTA, and will also be displayed on the Company's website, https://fact.co.in/

18. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request on or before 24th September 2026 mentioning their name, demat account number/folio number, email id and mobile number at investors@factltd.com

19. Members seeking any information with regard to the accounts or any matter to be considered at the AGM, are requested to write to the Company on or before 24th September 2026 mentioning their name, demat account number/folio number, email id and mobile number at investors@factltd.com. The same will be replied by the company suitably by email.

20. Only those Members who have registered themselves as a speaker will be allowed to express their views/ask questions during the meeting.

General Shareholder Information.

21. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC etc.

    a. **For shares held in demat mode:** To their DPs.

    b. **For shares held in physical mode:** To Purva Sharegistry India Pvt Ltd, (Company's RTA), in the prescribed Form ISR-1. The said form is available at https://fact.co.in/home/Dynamicpages?MenuId=2950

22. Members, who have not registered their e-mail IDs so far, are requested to register their e-mail IDs for receiving all communications from the Company, electronically.

23. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019. Further Transmission / Transposition of securities shall be effected only in dematerialized form. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact Company's Registrar and Share Transfer Agents (RTA), Purva Sharegistry India Pvt. Ltd, for assistance in this regard. Address of RTA is as follows:

    Purva Sharegistry India Pvt Ltd,
    9 Shiv Shakti Ind. Estt, J R Boricha Marg,
    Lower Parel (East), Mumbai 400 011
    E-mail: support@purvashare.com

24. As per the provisions of Section 72 of the Companies Act, 2013, the facility for making nomination is available to the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13 prescribed under Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014. If a Member desires to cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form No. SH-14 prescribed under Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014. On request, the necessary forms can be obtained from the Company's RTA, Purva Sharegistry India Pvt. Ltd. Members are requested to submit the said details to their DP in case the shares are held in demat mode and to Purva Sharegistry India Pvt. Ltd in case the shares are held in physical mode.

    The relevant forms are available on the company's website at https://fact.co.in/home/Dynamicpages?MenuId=2950

THE INTRUCTIONS FOR MEMBERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

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

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

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

Type of Members	Login Method
Individual Members holding securities in Demat mode with **CDSL Depository**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & My Easi New (Token) Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by 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 the vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.

Type of Members	Login Method
Individual Members holding securities in Demat mode with **CDSL Depository**	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 & My Easi New (Token) 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 Members holding securities in demat mode with **NSDL Depository**	1) If the users are already registered for NSDL IDeAS facility, please visit the eServices website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. The User will have to enter the User ID and Password. After successful authentication, will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and will be able to see e-Voting page. Click on company name or e-Voting service provider name and the user will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. The user will have to enter the User ID (i.e. sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, the user will be redirected to NSDL Depository site wherein the user can see e-Voting page. Click on company name or e-Voting service provider name and the user will be redirected to e-Voting service provider website for casting the vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of Members	Login Method
Individual Members holding securities in demat mode with **NSDL Depository**	4) For OTP based login the user can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. The User will have to enter the 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, the user will be redirected to NSDL Depository site wherein the user can see e-Voting page. Click on company name or e-Voting service provider name and the user will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Members (holding securities in demat mode) login through their **Depository Participants (DP)**	The user can also login using the login credentials of demat account through the Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, the user will be able to see e-Voting option. Once the user clicks on e-Voting option, the user will be redirected to NSDL/CDSL Depository site after successful authentication, wherein the user can see e-Voting feature. Click on Company name or e-Voting service provider name and the user will be redirected to e-Voting service provider website for casting the vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

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

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

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

2. Click on “Shareholders / Members” module.
3. Now enter the User ID
   (a) For CDSL: 16 digits beneficiary ID,
   (b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   (c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If the users are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then existing password is to be used.
6. If the users are a first-time user follow the steps given below:

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

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

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

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

(vi) Click on the EVSN for <**The Fertilisers and Chemicals Travancore Limited**> on which user chooses to vote.

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

(viii) Click on the “RESOLUTIONS FILE LINK” if the user wishes to view the entire Resolution details.

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

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

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

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

(xiii) There is also an optional provision to upload Board Resolution / Power of Attorney if any uploaded, which will be made available to scrutinizer for verification.

Additional Facility for Non – Individual Members and Custodians – For Remote Voting only.

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

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

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-Voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-Voting.
3. Members who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

4. Members are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss in case of fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

PROCESS FOR MEMBERS WHOSE EMAIL ADDRESS / MOBILE NUMBER IS NOT REGISTERED WITH THE COMPANY / DEPOSITORIES AND WHO WISH TO VOTE / ATTEND THE AGM

1. **For holders of shares in Physical form** - Please provide necessary details like Folio No., Name of Member, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id i.e. investors@factltd.com or support@purvashare.com
2. For holders of shares in Demat form - Please update the email id & mobile no. with the respective Depository Participant (DP).
3. For Individual holders of shares in Demat form – Please update the email id & mobile no. with the respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

For any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, please send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to:

Mr. Rakesh Dalvi, AVP, (CDSL)
Central Depository Services (India) Limited,
A Wing, 25th Floor, Marathon Futurex,
Mafatlal Mill Compounds,
N M Joshi Marg,
Lower Parel (East), Mumbai - 400013

or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.

Explanatory Statement Under Section 102 of the Companies Act, 2013 in respect of the Special Business to be transacted at the Meeting.

Item No.5

Government of India, Ministry of Chemicals & Fertilizers, Department of Fertilizers vide Order No. 95/01/2025(vii)-HR-PSU (e-38759) dated 13th August 2026 notified the appointment of Shri. Narpat Singh Rathore (DIN: 11891786) residing at House No. 1, Jain Colony, Main Laxmi Nagar Road, Paota B Road, Jodhpur (Raj.) - 342006 as a Non Official Independent Director on the Board of Directors of FACT. Shri. Narpat Singh Rathore was appointed as an Additional Director (Independent) on the Board of Directors of FACT. He will hold office till the conclusion of the 82nd Annual General Meeting of the Company.

In the opinion of the Board of Directors, Shri. Narpat Singh Rathore fulfills conditions specified for appointment as Independent Director of the company as per the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Except Shri. Narpat Singh Rathore, to whom the resolution relates, none of the Directors, Key Managerial Personnel of the Company, or their relatives is concerned or interested in the resolution.

Details of Shri. Narpat Singh Rathore are provided in the Annexure to the Notice pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

The Board of Directors recommends the Special Resolution set out as Item No. 5 of the Notice for approval of the members.

Item No.6

Government of India, Ministry of Chemicals & Fertilizers, Department of Fertilizers vide Order No. 95/01/2025(viii)-HR-PSU(e-38759) dated 13th August, 2026 notified the appointment of Shri. Ramawatar Rajgarhia (DIN: 00507738) residing at Flat No- 1001, Panchwati Waxpol, Kanke Road Ranchi Pin- 834008 as a Non Official Independent Director on the Board of Directors of FACT. Shri. Ramawatar Rajgarhia was appointed as an Additional Director (Independent) on the Board of Directors of FACT. He will hold office till the conclusion of the 82nd Annual General Meeting of the Company.

In the opinion of the Board of Directors, Shri. Ramawatar Rajgarhia fulfills conditions specified for appointment as Independent Director of the company as per the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Except Shri. Ramawatar Rajgarhia, to whom the resolution relates, none of the Directors, Key Managerial Personnel of the Company, or their relatives is concerned or interested in the resolution.

Details of Shri. Ramawatar Rajgarhia are provided in the Annexure to the Notice pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

The Board of Directors recommends the Special Resolution set out as Item No. 6 of the Notice for approval of the members.

Item No. 7

The Board has approved the appointment of M/s. Rajendran, Mani & Varier Cost Accountants, as Cost Auditors to conduct the audit of cost accounts of the Company for the financial year 2026-27 at a remuneration of ₹1,05,000/- plus out of pocket expenses (subject to a maximum of ₹10,000/). As per Rule 14 of the Companies (Audit and Auditors) Rules, 2014 read with Section 148(3) of the Companies Act, 2013, the remuneration approved by the Board of Directors has to be ratified subsequently by the members. Accordingly, the consent of the members is sought through an ordinary resolution for ratification of remuneration payable to the Cost Auditors for the Financial Year 2026-27.

None of the Directors, Key Managerial Personnel of the Company, or their relatives is concerned or interested in the resolution.

The Board of Directors recommends the Ordinary Resolution set out as Item No. 7 of the Notice for approval of members.

Annexure to the Notice dated 05.09.2026

Details of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting

Name	**Shri. Manoj Sethi**	**Shri. Santosh Kumar**	**Shri. Narpat Singh Rathore**	**Shri.Ramawatar Rajgarhia**
DIN	00301439	11228100	11891786	00507738
Category of Director	Government Nominee Director	Government Nominee Director	Independent Director	Independent Director
Age	58 years	57 years	54 years	53 years
Qualifications	Indian Civil Accounts Service	Indian Civil Accounts Service	Bachelor of Laws, Diploma in Human Resource Development and Bachelor of Arts degree.	B. Com (Hons), Chartered Accountant
Experience/ Brief Resume	See Website https://fact.co.in/ home/ Dynamic pages?MenuId =4	See Website https://fact.co.in/ home/ Dynamic pages?MenuId =4	See Website https://fact.co.in/ home/ Dynamic pages?MenuId =4	See Website https://fact.co.in/ home/ Dynamic pages?MenuId =4
Terms & Conditions of Appointment	The Govt. of India has appointed Shri. Manoj Sethi as a part time Government Nominee Director vide Order No. 95/1/2019-HR PSU dated 06-12-2023.	The Govt. of India has appointed Shri. Santosh Kumar as a part time Government Nominee Director vide Order No. 95/1/2019-HR PSU (Part-2) (e-31042) dated 17-07-2025.	The Govt. of India has appointed Shri. Narpat Singh Rathore as a Non-Official Independent Director vide Order No. 95/01/2025(vii)-HR-PSU(e-38759) dated 13-08-2026.	The Govt. of India has appointed Shri. Ramawatar Rajgarhia as a Non-Official Independent Director vide Order No. 95/01/2025(viii)-HR-PSU(e-38759) dated 13-08-2026.
Skills and Capabilities required for the role and the manner in which the proposed person meets such requirements	Please refer to the details on Skills/ Expertise/ Competencies of the Board of Directors in the Report on Corporate Governance.	Please refer to the details on Skills/ Expertise/ Competencies of the Board of Directors in the Report on Corporate Governance.	Please refer to the details on Skills/ Expertise/ Competencies of the Board of Directors in the Report on Corporate Governance.	Please refer to the details on Skills/ Expertise/ Competencies of the Board of Directors in the Report on Corporate Governance.
Remunerati on	NIL	NIL	Sitting fees for attending meetings of the Board and Sub Committees of the Board	Sitting fees for attending meetings of the Board and Sub Committees of the Board

Name	Shri. Manoj Sethi	Shri. Santosh Kumar	Shri. Narpat Singh Rathore	Shri.Ramawatar Rajgarhia
Date of First Appointment on the Board	14-12-2023	06-08-2025	14-08-2026	14-08-2026
Shareholding in the Company as on 31st March, 2026	NIL	NIL	NIL	NIL
Relationship / Other Directors/ Key Managerial Personnel	Not related to other Directors / Key Managerial Personnel	Not related to other Directors / Key Managerial Personnel	Not related to other Directors / Key Managerial Personnel	Not related to other Directors / Key Managerial Personnel
No. of Meetings of the Board attended during the year 2025-26	4 out of 5 meetings held during the year 2025-26.	4 out of 5 meetings held during the year 2025-26.	NA	NA
Directorship of other Boards as on 31st March, 2026	Public Companies: Hindustan Organic Chemicals Ltd	NIL	NIL	1. Private Companies: Adyayan Industries Private Limited 2. Kanak Marketing Private Limited
Membership/ Chairmanship of Committees of other Boards	NIL	NIL	NIL	NIL
Listed entities from which the Director has resigned from Directorship in the past three years	NIL	NIL	NIL	NIL

Shri S Sakthimani, CMD addressing
Kerala State Dealers Meet held in Udyogamandal.

Dr. Soorya Thankappan, IPS, Chief Vigilance Officer, FACT addressing the gathering during the Valedictory function of Vigilance Awareness Week

Shri S Sakthimani, C & MD, inaugurating FAI – Southern Regional Committee Annual Review Meeting held at Udyogamandal

BOARD'S REPORT

Dear Members,

Your Directors present the 82nd Annual Report on the Company's performance, together with the Audited Financial Statements for the year ended 31st March, 2026.

Despite operating under a challenging business environment, the Company could maintain a steady progress in production and marketing during FY 2025–26. The financial performance was adversely impacted by external factors, particularly the geopolitical developments arising from the West Asian conflict. The sharp escalation in sulphur and sulphuric acid prices, adverse foreign exchange movements, and constraints in the availability of RLNG significantly affected the Company's operating margins. Consequently, the Company reported a loss of ₹39.60 crore for the financial year 2025–26.

The Company produced 8.3 lakh MT of Factamfos, as compared to 6.45 lakh MT in FY 2024–25, along with 2.83 lakh MT of Ammonium Sulphate, surpassing the previous year's record production of 2.5 lakh MT. Total fertiliser sales crossed 1.3 million MT, reflecting robust market demand, efficient distribution, and the dedicated efforts of employees across all functions.

Based on Market Capitalization, your Company is one among the top 200 listed Companies.

Performance Highlights;

- Revenue from Operations of ₹5723.76 Cr.
- Total Fertilizer production 11.13 Lakh MT.
- Sale of 13.37 lakh MT Fertilisers.
- Annual Production of 2,83,168 MT Ammonium Sulphate is the all-time highest record production.
- FACT achieved the highest ever production and sales of Ammonium Sulphate.
- FACT Udyogamandal Complex received First Prize in Kerala Industrial Safety Award 2025. (Very large Industries).
- FACT-UC won the Suraksha Puraskar Award for outstanding safety performance in Very Large Chemical Factories, constituted by the National Safety Council Kerala Chapter.
- Highest Sales of Traded products including Organic and SSP and Imported Chemical Fertilisers.
- FACT Cochin Division selected by the Kerala State Pollution Control Board Awards 2025, in recognition of sustained efforts in environmental protection and pollution control, in the category of Very Large Scale Industries.

Standalone Financial Results

Financial Results of the Company for the year ended March 31st, 2026 is summarized below:

(₹ in crores)

Particulars	2025-26	2024-25
Net Sales	5723.76	4050.91
Other Income	176.32	216.45
Total Revenue	5900.08	4267.36
Total Expenses	5939.99	4238.23
Profit before Exceptional Items and Tax	(39.91)	29.13
Exceptional Items	-	24.61
Earnings before Taxes	(39.91)	53.74
Interest	249.73	245.54
Depreciation	35.70	36.62
Deferred Tax	(0.31)	12.51
Profit for the year	(39.60)	41.23
Other comprehensive Income	44.47	34.40
Total Comprehensive Income	04.87	75.63

Dividend Distribution Policy

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has formulated and adopted the Dividend Distribution Policy. The policy is hosted on the website of the Company at the link https://fact.co.in/home/Dynamicpages?MenuId=914

Dividend

In view of the losses incurred during the year, the Board of Directors has not recommended any dividend for the financial year ended 31st March 2026. However, as per the DIPAM Guidelines, the Company is required to pay a dividend. Accordingly, the Company has applied to the Department of Public Enterprises, Government of India for an exemption from this requirement, and a decision is still awaited.

Transfer to Reserves

No amount has been transferred to reserves for the financial year 2025-26.

Operations and Performance

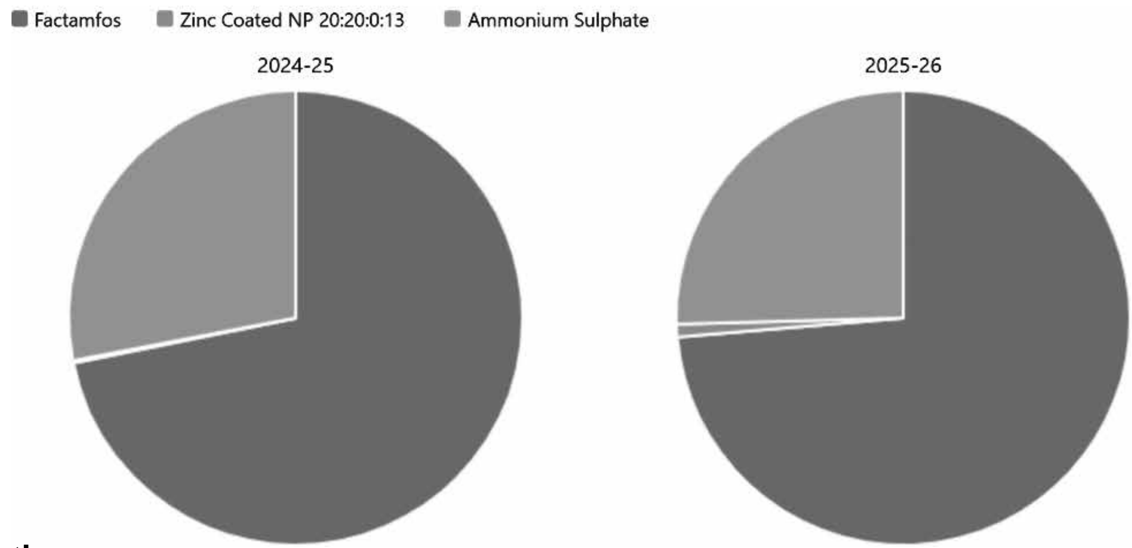
Production

(In MT)

Production	2025-26	2024-25
Factamfos	8,20,239	6,43,213
Zinc Coated NP 20:20:0:13	10,150	1,555
Total NP 20:20:0:13	8,30,389	6,44,768
Ammonium Sulphate	2,83,168	2,50,578

Due to viability issues the Caprolactam plant was not operated during the year.

Production



Marketing

(In MT)

Sales	2025-26	2024-25
Factamfos	**8,07,358**	**7,17,931**
Ammonium Sulphate	**2,99,191**	**2,66,683**
Caprolactam	**0**	**996**

The Marketing Division recorded a healthy performance amidst stiff competition in the fertilizer market and changing marketing scenario.

FACT achieved total sales of 13.37 lakh MT of all products compared to 11.63 lakh MT during FY 2024-25, registering a growth of 14% over the previous year. This growth was achieved through focused marketing efforts, expansion into new markets, strengthening of the dealer network and continuous engagement with farmers.

During the year, FACT successfully conducted various Government initiative and farmer oriented programmes such as PMKSK programmes, NDD meetings, Kisan Sangoshthi and Community Radio Programmes. These programmes helped strengthen farmer awareness on balanced fertilizer use, soil health management and modern agricultural practices.

Market Expansion and Product Diversification

As part of its market expansion strategy, FACT extended its geographical reach into new markets such as Chhattisgarh and Uttar Pradesh. The Company also broadened its product portfolio through the introduction and marketing of Imported DAP, Imported TSP, and Traded SSP, further strengthening its market presence.

Sustainable Agriculture and Soil Health

In line with its commitment to sustainable agriculture and soil health management, the Company analyzed 4,136 soil samples during FY 2025–26 under its Soil Health Management Programme.

Growth Outlook

The Division continues to see strong potential for growth in its existing markets — Maharashtra, Bihar, West Bengal, Odisha, and Madhya Pradesh — alongside emerging opportunities in Chhattisgarh and Uttar Pradesh. The encouraging response from non-traditional markets underscores the scope for further expansion in the years ahead.

PM-PRANAM Contribution

During the year, FACT recorded sales of 27,505 MT under the PM-PRANAM (PM Promotion of Alternate Nutrients for Agriculture Management) initiative, reinforcing its role in advancing balanced and sustainable fertilizer use.

CAPEX 2.0

As part of FACT's Journey towards self-sufficiency goals in fertilizer manufacturing and in line with Government of India's vision of "Atma Nirbhar Bharat" in the fertilizer sector and also to add more products to FACT's product basket, FACT is proposing second phase of capacity expansion projects under CAPEX 2.0 with a total outlay of ₹6350 Cr wherein, the following projects are considered:

a) New 700 MTPD Phosphoric Acid Plant at Cochin Division.

b) New 2200 MTPD Sulphuric Acid Plant at Cochin Division.

c) Augmentation of bulk handling facilities at Cochin Division & Willingdon Island envisaged as part of above Sulphuric Acid and Phosphoric Acid Plants at Cochin Division.

d) New 20,000 MT (net) Ammonia Storage Tank at Q4 berth, Willingdon Island

e) New 1500 MTPD Urea Plant at Udyogamandal Division as add-on to existing Ammonia Plant.

The Board of Directors of FACT has accorded in-principle approval for capacity expansion projects CAPEX 2.0 and the project is presently under the consideration of Government of India.

Memorandum of Understanding with Government of India

Company has been entering into a Memorandum of Understanding (MoU) with the Department of Fertilizers, Ministry of Chemicals and Fertilizers, Government of India, setting the performance parameters and targets every year. Company has secured 'Good' rating for the MoU for the year 2024-25.

The MoU for 2025-26 is yet to be finalized by the Government of India.

Management Discussion and Analysis Report

Management Discussion and Analysis Report covering the operational aspects for the year under review, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of Directors' Report.

Roadmap for sustainability / Capital Projects

The Union Cabinet accorded approval in 2019-20 for a CAPEX worth ₹608 crores to implement essential capital jobs. These initiatives were envisaged to enhance the operational reliability of production plants, comply with evolving statutory requirements, and set up additional raw material storage infrastructure.

With the commissioning of the new NP plant, the total fertilizer production capacity of the company is projected to increase by over 5 Lakh MT per annum. FACT also intends to improve its product mix through the trading of different NPK products to strengthen both top and bottom-line metrics.

Long-Term Supply Agreements

To ensure the uninterrupted operation of its intermediate and production plants, FACT has entered into strategic long-term supply agreements for key raw materials:

- SNPT, Togo: Three-year agreement for the continuous supply of Rock Phosphate.
- BPCL & MRPL: Long-term agreements for procurement of Sulphur to meet the Company's entire requirement.
- IOCL: Five-year agreement for the supply of Regasified Liquefied Natural Gas (RLNG) to support the operation of the Ammonia Plant.
- CIL: Agreement for the monthly supply of 4,000 MT of Phosphoric Acid.

Status of Major Capital Projects (FY 2025-26)

Project Description	Status / Current Progress
Construction of Two Phosphoric Acid Storage Tanks (Q10 Berth, Willingdon Island)	Tank construction completed & Hydro test done. Rubber lining and associated works are to be completed. The commissioning is expected to be completed in 2026.
New 1650 MTPD NPK Plant (Cochin Division, Ambalamedu)	Project is progressing in LSTK mode. Major equipments have arrived at the site. The project is expected to be commissioned in 2026.

Industrial Relations

During the financial year 2025-2026, a stable and congenial industrial relations climate sustained across all Divisions of the Company.

Regular interactions were held between the Management and Trade Unions / Office Associations on various matters. There was no loss of productivity arising from industrial relations issues.

Corporate Governance

Our Company remains compliant with corporate governance norms by adhering to integrity, transparency, and accountability, supported by well-defined policies and ethical practices that ensure long-term value creation. The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI and the guidelines on Corporate Governance issued by the Department of Public Enterprises, Government of India. The Report on Corporate Governance for FY 2025-26 as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, annexed to this report, forms an integral part of this report.

Further, pursuant to Schedule V (E) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Compliance Certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance is attached as **Annexure-2.**

Business Responsibility and Sustainability Report

Based on market capitalization, as required by Regulation 34(2) of SEBI (LODR) Regulations 2015 the Company is required to prepare a Business Responsibility and Sustainability Report (BRSR) on the environmental, social and governance disclosures. As per NSE circular no NSE/ CML/2024/11 dated May 10, 2024, the BRSR can be provided as a LINK in the Annual Report of the Company instead of publishing the whole report. The Business Responsibility and Sustainability Report for FY 2025-2026, with Limited Assurance of BRSR Core issued by M/s SR Asia is provided at the link https://fact.co.in/home/Dynamicpages?MenuId=3057

Material changes and commitment

There was no change in the nature of business of the Company during the financial year 2025-26.

Status of FRBL - Associate / JV Company

FACT-RCF Building Products Private Limited (FRBL), a joint venture between FACT and RCF underwent CIRP process and a Resolution Plan was approved by NCLT. Since the 11 Acres of land of FACT, was also incorporated as an 'asset' in the Resolution Plan, FACT challenged the said order by filing appeal before NCLAT, Chennai. The appeal was heard by the NCLAT and has been posted for orders. On 18.05.2026, FACT terminated the tenancy and took possession of the land as per the provisions of the Public Premises (Eviction of Unauthorised Occupants) Act, 1971.

Discontinuation of Consolidation of Financial Statements of FACT – RCF Building Products Limited (FRBL):

The Company had fully provided for the value of investment in FRBL in earlier years, owing to the share of losses in FRBL exceeding its interest. Pursuant to the approval of resolution plan approved by the National Company Law Tribunal (NCLT), Kochi Bench, vide its order dated 26.09.2025 FACT has ceased to have joint control over FRBL. Consolidation of Financial Statement of FACT with FRBL has therefore been discontinued.

ISO Certification

All fertilizer plants in Udyogamandal Complex and Cochin Division are certified for ISO 14001:2015 and ISO 9001:2015. FACT Cochin Division is certified for ISO 45001:2018. FACT Udyogamandal Division is certified for ISO 50001:2018.

Pollution Control Activities

FACT places the highest priority on maintaining clean air and a healthy living environment for the residents in and around its factory premises.

The effluent treatment plant and emission control facilities are kept in operation along with the production plant throughout the year. Treated liquid effluents and gas emissions discharged from plants conforms to the standards prescribed by the Central Pollution Control Board and the Kerala State Pollution Control Board.

As per directions from Central Pollution Control Board (CPCB) & Kerala State Pollution Control Board (KSPCB), continuous online monitoring and web uploading are in progress. All analyzers as per guidelines have been installed and the parameters are uploaded in KSPCB & CPCB websites.

The Company successfully maintained all effluent discharge parameters within the limits prescribed by the statutory authorities. In line with its commitment to responsible waste management, the safe disposal of accumulated hazardous waste is ensured through Kerala Enviro Infrastructure Limited (KEIL). Spent V_2O_5 catalysts, ETP sludge, sulphur muck etc., are handed over to KEIL for final disposal in an environmentally compliant manner.

During the financial year 2025-26, hazardous wastes generated and disposed through KEIL comprised of 9.34MT of spent V2O5 catalyst, 320.3MT of Sulphur Muck, and 487.5 MT of ETP Sludge. No lead strap waste was generated or disposed of during the year. Additionally, no e-waste was disposed of during this financial year.

As per directions from Central Pollution Control Board (CPCB) & Kerala State Pollution Control Board (KSPCB) requirement, emission and effluent data in respect of the following are being uploaded to the website of KSPCB & CPCB.

- SO_2 emission from Sulphuric Acid plant stack.
- Ammonia, Fluoride and particulate matter emission from complex fertilizer plant stack.
- Fluoride and particulate matter emission from Phosphoric Acid plant stack.
- pH, Fluoride, Ammoniacal nitrogen and flow of effluent outlet.

Fire and Safety Measures and Training Activities

The Fire and Safety Department, managed by Company personnel, operated smoothly during the year. In 2025-26, FACT Udyogamandal Division recorded 2.9 million accident-free man-hours, with a total of 22.7 million accident-free man-hours since the last reportable accident.

A total of 9,400 man-hours were dedicated to safety training during the year. The Safety Committee functioned effectively, contributing to the maintenance of safe working conditions across the plant.

As part of the On-Site Emergency Plan, emergency preparedness was evaluated through the conduct of both onsite and local mock drills, simulating scenarios such as toxic gas leaks and fire outbreaks.

A safety audit of FACT UC was carried out by an expert committee constituted by the Division Head, and various competitions were held to encourage safety compliance, with awards presented during the 54th Safety Week celebrations.

On the training front, a total of 9,400 man-hours were imparted during 2025–26 through periodic programs covering First Aid, Firefighting, Use of Breathing Apparatus, and PPE Usage, induction training for new employees, apprentices, and project trainees, safe working practice training for contractors and supervisors, Fire Safety Awareness Programs for employees, and a dedicated Fire and Safety Awareness session with competitions for students of Govt. HSS Eloor.

Official Language

FACT is giving utmost priority to the promotion and implementation of the Official Language Policy of the Government of India. Quarterly meetings of the Official Language Implementation Committee are regularly held in FACT under the Chairmanship of the Chairman & Managing Director. The position regarding implementation as per the Official Language Act / Rules and the orders issued by the Government of India regarding the use of Hindi in official work and the Annual Programme are reviewed at these meetings. In order to create enthusiasm in the Official Language among the employees, Hindi Department regularly organizes several programmes and competitions for the employees and officers of various Divisions of the company.

During the year, the Company organised 11 workshops to promote the use of Hindi as the Official Language. A total of 111 managerial and 50 non-managerial employees were imparted training on the implementation of the Official Language Policy. Employees were encouraged to progressively increase the use of Hindi in official correspondence and day-to-day office work. In addition, Hindi Fortnight was celebrated at the corporate level with enthusiasm, featuring a variety of competitions and awareness programmes to foster the use of the Official Language across the organisation.

The Company actively participated in the Hindi competitions organised as part of the Joint Hindi Fortnight Celebrations conducted by the Kochi Town Official Language Implementation Committee (Undertakings). The Company was awarded the Best Official Language Implementation award (first place), secured the Second Prize for its Official Language magazine, "Rashtravani," and achieved the Overall First Prize in the Hindi competitions.

Public procurement policy of Micro and Small Enterprises (MSEs) Order 2012

Company gives priority to Micro and Small Enterprises for procurement as per directives issued by the Government of India from time to time.

During the year, the Company procured material & services worth **₹346.36 Crores** (80.55% of total procurement) from MSEs. Out of 0.6 % of total procurement is from MSEs owned by SC/ST entrepreneurs and **9.71%** of total procurement is from women entrepreneurs. In the FY 2025-26, Company's total procurement of goods and services amounted to ₹4,270 Crores.

FACT's procurement from SC/ST-owned MSEs was 0.6%, as against the mandated 4%, indicating a shortfall in this segment.

Company conducted one Vendor Development Programme exclusively for SC/ST entrepreneurs, aimed at enhancing their participation in procurement processes and expanding the vendor base in this category.

FACT has onboarded on the following TReDs platform, in line with DPE Directions

Name of Treds Platform	Date of on-boarding
RXIL (Receivables Exchange of India Ltd)	15-02-2019
M1xchange (Mynd Solutions)	29-03-2025
Invoicemart (A. TReDS Ltd)	31-03-2025
C2FO (C2treds)	31-03-2026
DTX by KredX (Domestic Trade Exchange)	31-03-2026

Timely Payments to MSE Vendors

The Company monitors timely payments to MSE vendors — directly or through TReDS — within the timelines prescribed under the MSMED Act, 2006:

Sl No	Particulars	2025-26
i	Total Amount involved (₹ lakhs)	-
ii	Number of Invoices	-
iii	Number of suppliers involved in delays	-
iv	Total annual procurement value (₹ Cr)	346.36
v	Total number of invoices during the year	8665
vi	Total number of suppliers during the year engaged in annual procurement	1638

No delayed payments were recorded during the year, reflecting the Company's adherence to prescribed payment timelines for MSE vendors.

Procurement through GeM

Procurement through the Government e-Marketplace (GeM) platform amounted to ₹341.65 Crores, supporting enhanced transparency, efficiency, and digitization in the Company's procurement activities.

Directors and Key Managerial Personnel

Appointments

Based on notification from Government of India, Ministry of Chemicals & Fertilizers following appointments were made during the year 2025-26.

1. Shri. Santosh Kumar (DIN: 11228100) as a Government Nominee Director vide Order No. 95/1/2019-HR PSU (pt-2) (e-31042) dated 17th July, 2025.
2. Shri. Anupam Misra (DIN: 07637439), Director (Marketing), FACT as an additional charge of Chairman and Managing Director, FACT vide order No 86/2/2017-HR-I(Part) (e-35984) dated 05th January 2026. He held office till 02nd February 2026
3. Shri. S. Sakthimani, (DIN: 07482308), Director (Finance), FACT as the Chairman and Managing Director, FACT vide letter No. 86/2/2017-HR-I (e-21608) dated 2nd February, 2026.
4. Shri. S. Sakthimani, (DIN: 07482308), Chairman and Managing Director as an additional charge of the post of Director (Finance) vide Order No 86/1/2016-HR-I(e-16515) dated 03rd February, 2026 and as an additional charge of the post of Director (Technical) vide Order No 86/1/2017-HR-I-Part (1) (E. 32029) dated 17th June, 2026
5. Shri. Niranjan Suryabhan Sonak (DIN: 10926090), Director (Marketing) Rashtriya Chemicals and Fertilizers Limited (RCF), as additional charge of the post of Director (Marketing) vide Order No. 86/1/2010-HR-I (e-14268) dated 06th July, 2026.
6. Shri. Sajo K.F (DIN: 11860946) Chief General Manager, FACT as the Director (Technical) FACT, vide Order No. 86/1/2017-HR-I (E.20259) dated 27th July, 2026.

7. Shri. Narpat Singh Rathore, (DIN: 11891786) as the Independent Director, vide Order no. 95/01/2025 (vii) -HR-PSU (e-38759) dated 14th August, 2026.
8. Shri. Ramawatar Rajgarhia (DIN: 00507738) as the Independent Director, vide Order no. 95/01/2025 (viii) -HR-PSU (e-38759) dated 14th August, 2026.

Re-appointment

Directors liable to retire by rotation

In terms of the provisions of the Companies Act, 2013, Shri. Manoj Sethi (DIN: 00301439) and Shri Santosh Kumar (DIN: 11228100), Directors of the Company, retires at the ensuing AGM and being eligible, seeks re-appointment.

The necessary resolution for re-appointment of Shri. Manoj Sethi and Shri Santosh Kumar forms part of the Notice convening the ensuing AGM. The profile and particulars of experience, attributes and skills that qualify Shri. Manoj Sethi and Shri Santosh Kumar for Board membership is disclosed in the said Notice

Retirements & Resignations

During the year under review, the following changes occurred in the composition of the Board of Directors of the Company:

Shri S. C. Mudgerikar (DIN: 03498837), Chairman and Managing Director, ceased to be a Director of the Company on completion of his tenure on 31st December 2025.

Shri Billeswar Sinha (DIN: 09393543), Independent Director, tendered his resignation from the Board of Directors of the Company with effect from 31st March 2026, consequent to filing of nomination for Legislative assembly elections.

Dr. Aruna Kamineni (DIN: 09591742), Independent Director, completed her term of appointment on 04th May 2026.

Shri M. Chandran (DIN: 07817614), Independent Director, completed his tenure as a Director of the Company on 19th June 2026.

Dr. K. Jayachandran (DIN: 10062573), Director (Technical), completed his term of office on 31st May 2026.

Shri Anupam Misra (DIN: 07637439), Director (Marketing), was relieved from the services of the Company with effect from 30th June 2026, consequent to his appointment in another CPSE.

The Board of Directors places on record its sincere appreciation and gratitude for the invaluable guidance, leadership, support, and distinguished services rendered by the aforesaid Directors during their tenure on the Board. The Board gratefully acknowledges their significant contributions to the Company's growth, development, and governance, and extends its best wishes for their continued success in all their future endeavours.

Reappointment of Independent Directors

During the financial year 2025-26, no Independent Director was reappointed on the Board of the Company as per section 149 (10) of the Companies Act, 2013.

Disqualification of Directors

None of the Directors has incurred any disqualification as provided under section 164 of the Companies Act, 2013.

Key Managerial Personnel

In terms of Section 203 of the Act, the Key Managerial Personnel of your company are:

Sl. No.	Name	DIN	Designation
1	Shri. S. Sakthimani	07482308	Chairman & Managing Director holding Addl. Charge of Director (Finance)
2	Shri. Niranjan Suryabhan Sonak	10926090	Director (Marketing)
3	Shri Sajo K.F	11860946	Director (Technical)
4	Shri. Pradeep Kumar C	NA	Chief Financial Officer
5	Ms. Susan Abraham	NA	Company Secretary

Annual Evaluation of Board

FACT being a Government Company, all appointments on the Board is made by the Government of India, Ministry of Chemicals and Fertilizers, Department of Fertilizers. The performance of Directors is evaluated by the Ministry of Chemicals & Fertilizers, Department of Fertilizers, Government of India. As per Government of India, Ministry of Corporate Affairs notification dated 05th June 2015, clause (e) and (p) of sub-section 3 of Section 134 of the Companies Act, 2013, relating to appointment, remuneration and Annual evaluation of the performance of the Board is not applicable to FACT.

In accordance with SEBI (LODR) Regulations, the Nomination & Remuneration Committee, at its meeting held on 04.02.2025, approved the criteria for evaluating the performance of Independent Directors by the Board. Subsequently, the Board, in its meeting held on 30.03.2026, reviewed the performance of the Company's Independent Directors based on the approved criteria.

The Independent Directors in their meeting held on 30.03.2026, reviewed the performance of Non-Independent Directors, the overall functioning of the Board, the Chairperson's performance, and the effectiveness of information flow between management and the Board, as per Regulation 25(4) of SEBI (LODR) Regulations, 2015.

Independent Directors' Declaration

The Company has received necessary declaration from the Independent Directors confirming that they meet the criteria of independence as prescribed under Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and they have registered their names in the Independent Directors' Databank maintained by the Indian Institute of Corporate Affairs.

The Independent Directors are in compliance with the Code of Conduct prescribed under Schedule IV of the Companies Act, 2013 and the Code of Business Conduct adopted by the Company.

In the opinion of the Board, all Independent Directors possess requisite qualifications, experience, expertise and hold high standards of integrity required to discharge their duties with an objective independent judgment and without any external influence.

Meetings of the Board

During the financial year 2025-26, five (5) meetings of the Board were convened and held. Details of composition of the Board and its Committees as well as details of Board and Committee meetings held during the year under review and Directors attending the same are given in the Corporate Governance Report forming part of the Annual Report for FY 2025-26.The gap between two Board Meetings was within the maximum time gap prescribed under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. The requisite quorum was present in all the Meetings.

Secretarial Standards

Your Directors state that during the year under review, the Company has complied with the provisions of Secretarial Standard 1 (relating to meetings of the Board of Directors) and Secretarial Standard 2 (relating to General meetings) issued by the Institute of the Company Secretaries of India.

Reporting of frauds by Auditors

During the year under review, the Statutory Auditors and Secretarial Auditors of Company have not reported any instances of fraud committed in the Company by Company's officers and employees which are required to be reported to the Audit Committee under section 143(12) of the Act.

AUDITORS

(1) Statutory Auditors - Statutory Auditor's Report

M/s. G. Venugopal Kamath & Co., Chartered Accountants, Kochi, was appointed as Statutory Auditors of the Company for the financial year 2025-26 by the Comptroller and Auditor General of India.

M/s. Lily & Geetha Associates LLP, Chartered Accountants, Chennai, was appointed as Branch Auditors for the year 2025-26, for the Area / Regional Offices at Tamil Nadu and Kerala, by the Comptroller and Auditor General of India.

M/s. RB Kabra & Co, Chartered Accountants, Hyderabad, was appointed as Branch Auditors for the year 2025-26 for the Area / Regional Offices at Andhra Pradesh, Telangana and Karnataka by the Comptroller and Auditor General of India.

The report of the Statutory Auditor forms part of this Annual Report. Statutory Auditors has not made any qualification or adverse remarks on the Financial Statements for the financial year 2025-26.

(2) Cost Audit

As prescribed under section 148 of the Companies Act ,2013, read with the Companies (Cost Report and Audit) Rules 2014, cost accounting records are being maintained by the Company. BBS & ASSOCIATES, Cost Accountants, Kochi has been appointed as Cost Auditors of the Company for the year 2025-26. Cost Audit report for the financial year 2024-25 was filed with Ministry of Corporate Affairs on 03-10-2025.

(3) Secretarial Auditors - Secretarial Auditor's Report

M/s. SVJS & Associates, Company Secretaries, Kochi, are the Secretarial Auditors of the Company appointed for a term of five consecutive years from 2025-26. The report of the Secretarial Auditors is annexed to this report as Annexure-3. The Secretarial Auditors have made the following observations in their Secretarial Audit Report.

As per sub-section (4) of section 149 of the Companies Act, 2013, every listed public company shall have at least one-third of the total number of Directors as independent Directors. During the period under review from 01/04/2025 to 04/05/2025 the Company did not have one-third of the Board as independent directors.

As per regulation 17(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, where a listed entity does not have a regular Non-Executive Chairperson, at least half of the board of directors shall comprise of independent directors. During the period under review the composition of the Board did not meet this requirement.

As per the proviso to regulation 17 (1) (a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the top 1000 listed entities are required to have at least one independent woman director. Company did not have an independent woman director up to 04/05/2025.

As per sub-section (2) of section 177 of the Companies Act, 2013, the Audit Committee shall consist of a minimum of three Directors with independent Directors forming a majority and as per regulation 18 (1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, at least two-thirds of the members of audit committee shall be independent directors. Further as per sub-section (1) of section 178 of the Companies Act, 2013, Nomination and Remuneration Committee shall consist of three or more non-executive Directors out of which not less than one-half shall be independent directors and as per regulation 19(1)(b) and (c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all directors of the committee shall be non-executive directors and at least two-thirds of the directors shall be independent directors. Company did not have required number of independent directors to constitute a qualified and independent Audit Committee and Nomination and Remuneration committee from 01/04/2025 to 04/05/2025 and Nomination and Remuneration committee did not have required number of non-executive directors to constitute a qualified and independent Nomination and Remuneration committee upto 09/05/2025.

As per sub-rule (4) of rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, every individual whose name is so included in the independent directors data bank shall pass an online proficiency self-assessment test conducted by the institute within a period of two years from the date of inclusion of his/her name in the data bank. We are unable identify whether Mr. Billeswar Sinha (DIN: 09393543) has passed the online proficiency self-assessment test within the said period of two years.

The Company's response on observations made by Secretarial Auditors in their report is given below;

The Company is a Central Public Sector Undertaking under the administrative control of the Department of Fertilizers, Ministry of Chemicals and Fertilizers, Government of India. The power to appoint Directors, including Independent Directors, vests with the Government of India. The Company does not have control over such appointments. During the period from 01.04.2025 to 04.05.2025, the required number of Independent Directors, including Independent Woman Director, could not be maintained. Subsequently, two Independent Directors, including one Woman Independent Director, were appointed to the Board with effect from 05.05.2025. The requisite Committees were thereafter reconstituted upon appointment of the Independent Directors.

With regard to the online proficiency self-assessment test of the Independent Director, the registration in the Independent Director database was maintained throughout his tenure as independent director of the company. Further, the concerned Independent Director ceased to be a Director of the Company before completion of his one-year tenure.

Policy on remuneration of Directors, Key Managerial Personnel and other Employees.

FACT, being a Central Public Sector Enterprise under the Ministry of Chemicals and Fertilizers, the appointment, tenure and remuneration of Directors are decided by the Government of India.

In accordance with the provisions of Section 178 of the Companies Act, 2013, the Board of Directors of FACT has constituted the Nomination and Remuneration Committee. The Committee has framed a policy on Remuneration of Directors, Key Managerial Personnel and other Employees pursuant to Section 178(3) of the Companies Act, 2013 and Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy is available on the website of the Company at https://fact.co.in/home/Dynamicpages?MenuId=3018

Investor Education and Protection Fund (IEPF)

During the year, no amount was required to be transferred to the Investor Education and Protection Fund (IEPF). Accordingly, FACT has not made any transfers during the year, and there are no pending amounts due for transfer to the IEPF.

Contract or arrangement with related parties

The details of transactions with related parties are provided in the financial statements. There are no transactions during the year to be reported in Form AOC-2.

Corporate Social Responsibility

FACT continues to give priority to various Corporate Social Responsibility measures. The Company has a Board Level Committee constituted as per the provisions of Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR Policy of the Company is available on the website of the Company at https://fact.co.in/home/Dynamicpages?MenuId=2963

The Company spent ₹226.38 lakh for CSR Projects and ₹245.90 lakh has been set off against excess spent in previous year to meet the CSR obligation for the year.

Annual Report on CSR as per the provisions of Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed to this report as **Annexure-4.**

FACT Initiative for the farming community

During 2025–26, FACT carried out two Village Adoption Programs aimed at encouraging balanced use of nutrients, sustainable farming methods, and greater awareness among farmers.

1. Mathur Village, Palakkad District

At Mathur, multiple field demonstrations were held for paddy cultivation. Kisan Sangosthis (farmer meetings) were organized to spread awareness about the PM-PRANAM scheme, organic inputs, soil health practices, and balanced fertilizer use. These sessions were run jointly with the Agriculture Research Station, Pattambi, and the state Department of Agriculture. Farmers were also introduced to Nano Di-Ammonium Phosphate (Nano DAP) — its application method and advantages — with guidance from an IFFCO field officer.

2. Kothamangalam, Ernakulam District

This program was carried out together with the Department of Agriculture, the Agricultural Research and Management Programme Station (AMPRS), Odakkali, and the Kothamangalam Block Panchayat. Demonstrations covered pineapple and paddy crops. Alongside Kisan Sangosthis and Nano DAP awareness sessions, scientists guided farmers on Integrated Nutrient Management (INM), stressing efficient, balanced nutrient use. A Field Day held at the demonstration plot taught farmers how to boost fertilizer-use efficiency and adopt better management practices.

Broader Outreach

Beyond these two village programs, FACT held numerous farmer meetings and awareness campaigns across its market areas in 2025–26. These covered drone use in agriculture, balanced fertilization, soil health, and other science-based farming practices to help improve crop yields and long-term sustainability.

Risk Management

FACT has a well-defined Risk Management Policy in place to identify potential risk areas and implement appropriate mitigation measures. The Company has also established adequate risk management infrastructure that is equipped to effectively address and manage all foreseeable risks. The Risk Management Policy of the Company is available on the website of the Company at https://fact.co.in/home/Dynamicpages?MenuId=2979

Vigil Mechanism & Whistle Blower Policy

FACT has a Vigil Mechanism in place that allows Directors and employees to raise concerns in a secure and confidential manner. In appropriate cases, they can report their concerns directly to the Chairman of the Audit Committee. The Vigil Mechanism and Whistle Blower Policy are available on the Company's website at https://fact.co.in/, and can be accessed directly via the link: https://fact.co.in/home/Dynamicpages?MenuId=45

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

In compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company affirms the following:

The Company has duly constituted an Internal Complaints Committee as required under the Act, to redress complaints related to sexual harassment at the workplace. The company maintains a zero-tolerance policy towards sexual harassment and has implemented measures to raise awareness, prevent misconduct and to ensure a safe working environment for all employees.

The details of complaints during the financial year are as follows:

i.	Number of complaints of sexual harassment received in the year:	0
ii.	Number of complaints disposed of during the year:	0
iii.	Number of cases pending for more than ninety days:	0

Maternity Benefit Act

FACT has complied with the applicable provisions of the Maternity Benefit Act, 1961. It has ensured that all eligible female employees are extended the benefits mandated under the Act, including paid maternity leave, nursing breaks and protection from dismissal during maternity leave.

The company remains committed to providing a safe, supportive and inclusive working environment and continues to implement policies that supports health and well-being of women employees especially during maternity and post maternity period.

Code of Conduct

FACT has a code of conduct known as FACT Code of business Conduct and Ethics applicable to the members on the Board and all senior executives of the Company. The code has been posted on the Company's website https://fact.co.in/ and can be downloaded using the link

https://fact.co.in/home/Dynamicpages?MenuId=2959

The code lays down the standard procedure of business conduct which is expected to be followed by the Directors and senior executives of the Company. It also includes the duties of Independent Directors as laid down in the Companies Act, 2013.

The Board members and Senior Executives of the Company have affirmed compliance of the code of Conduct for the financial year 2025-26.

Prevention of Insider Trading

There have been no reported instances of insider trading involving FACT shares till date. A Code of Conduct on the Prohibition of Insider Trading is available on the Company's website and can be accessed via the following link: https://fact.co.in/home/Dynamicpages?MenuId=849

Internal Controls & their adequacy

The Internal Control systems are reviewed by the Audit Committee. The Company being a Government owned company is subject to Audit by C&AG. The adequacy of Internal Control procedures is also reviewed by the Statutory Auditors in their Audit Report.

The Company's internal control systems are commensurate with the nature of its business, size, and complexity of its operations. Internal financial controls with reference to the Financial Statements are adequate. Details on the Internal Financial Controls of the Company forms part of Management Discussion and Analysis forming part of this Report.

Particulars of Employees and related disclosures

During the year under review, none of the employees of the Company had drawn remuneration in excess of the limit prescribed under section 134 (3)(c) of the Companies Act, 2013 read with Companies (Appointment of Managerial Personnel) Rules, 2014.

As per the notification dated 05th June, 2015 issued by the Ministry of Corporate Affairs, Government of India, section 197 of the Companies Act, 2013 is not applicable to a Government Company.

Vigilance

Vigilance is an integral part of the managerial function of an organization and the vigilance department plays a crucial role in ensuring transparency, integrity and accountability within the organization. The primary objective of the FACT vigilance department is to prevent corruption, misconduct, fraud, and abuse of power thereby upholding the public trust and promoting good governance.

The work profile of the vigilance department comprises mainly of handling complaints received by CVO from different sources and investigation of verifiable complaints having a vigilance angle. As part of preventive vigilance measures vigilance department also undertakes surprise inspections, surveillance and intelligence-gathering activities on a regular basis. Scrutiny of procurement/ contract files, reviewing property returns of employees, monitoring the rotation of staff in sensitive areas, and coordination with CVC and other government departments also form the part of work profile of the vigilance department.

During the financial year 2025-2026, as per the directives of the Central Vigilance Commission (CVC), the week from October 27th to 2nd November 2025 was observed as Vigilance Awareness Week in FACT, with the theme - "Vigilance – Our shared Responsibility". The Vigilance Awareness Week celebration in FACT started by employees in all divisions taking the Integrity pledge. Banners carrying the theme were exhibited in various important locations. Also 437 FACT employees obtained 5 course completion certificates each on 33 subjects identified, in the iGOT training platform during this campaign period.

As part of the Dynamic digital presence initiatives suggested by CVC this year, FACT has successfully developed and implemented the Online Vigilance clearance portal this year during the campaign period.

Integrity Pact

An Integrity Pact in line with Government of India guidelines in this regard has been finalised and implemented in the Company.

The Right to Information Act, 2005

FACT is complying the provisions of the Right to Information Act, 2005 and the details relating to Public Information Officer, Assistant Public Information officer, Appellate Authority, Nodal officer etc. are published on the website of the Company https://fact.co.in/ and can be downloaded using the link https://fact.co.in/home/Dynamicpages?MenuId=472

Annual Return

The Annual Return of the Company as provided under Sub section (3) of Section 92 of Companies Act, 2013, is published on the website of the Company, at the link https://fact.co.in/home/Dynamicpages?MenuId=3057

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

Information regarding the conservation of energy, technology absorption, and foreign exchange earnings and outgo as required to be disclosed in terms of the Companies (Accounts) Rules, 2014 is set out in a separate statement as **Annexure-1.**

Director's Responsibility Statement

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

(a) in the preparation of annual accounts for the year ended March 31, 2026, the applicable accounting standards had been followed along with proper explanation relating to material departures.

(b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of profit and loss statement for the year ended March 31, 2026.

(c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

(d) the directors have prepared the annual accounts on a going concern basis.

(e) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively; and

(f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

General

The Board of 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. 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.
5. Neither the Managing Director nor the whole time Directors of the Company receive any remuneration or commission from its Associate Company.
6. No significant or material orders were passed by the Regulators or Courts or Tribunals which

impact the going concern status and Company's operations in future.

7. No fraud has been reported by the Auditors to the Audit Committee or to the Board.
8. There was no application made or proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review.
9. The Company has not made any one-time settlement for the loans taken from the Banks or Financial Institutions.

Acknowledgement

Your Directors gratefully acknowledge the valuable guidance and support extended by Hon'ble Minister of Chemicals and Fertilizers, Hon'ble Minister of State for Chemicals and Fertilizers, Hon'ble Chief Minister, Government of Kerala, the Secretary, Ministry of Chemicals and Fertilizers and other officials of the Ministry of Chemicals and Fertilizers as well as other Ministries of the Government of India, Department of Public Enterprises and other State Governments.

The Directors deeply appreciate the committed efforts put in by the employees and look forward to their dedicated services and endeavor in the years ahead to enable the Company to scale greater heights.

The Directors also acknowledge the continued support extended by the Shareholders, Dealers, Suppliers, Bankers, Valued Customers and Auditors of the Company.

For and on behalf of the Board of Directors

(S. Sakthimani)
Chairman & Managing Director
DIN:07482308

Place: Udyogamandal
Date: 01-09-2026

Annexure 1

Annexure to Directors' Report

(Particulars Required under Rule 8 (3) of Companies (Accounts) Rules, 2014)

A. Conservation of Energy

Steps taken or impact on conservation of energy.

1. Replacement of Primary Reformer Catalyst in Ammonia Plant resulting in 21172 G cal of energy in terms of RLNG.
2. Overhauling of Cooling Tower Turbine Pump (TP801A) in Ammonia Plant, resulting in savings of 7873 G cal of energy in terms of steam consumption.
3. Replacement of HSPV/HPMV/MH Type street light / Flood light fittings and Fluorescent Tubes with energy efficient LED Luminaries. The replacement is in progress in Pant and Township areas.

B. Technology Absorption

i. Efforts made

1. Overhauling of Steam Turbine of Ammonia Refrigeration Compressor
2. Energy Efficient Pump installation in the Ammonia Plant Cooling Tower
3. Regular procurement of renewable energy through G-DAM/STOA mechanisms.

ii. Benefits derived

1. By implementing Overhauling of Steam Turbine, the Company achieved an annual energy saving of 85.85 MTOE
2. By installing Energy Efficient Pump in the Ammonia Plant Cooling Tower, the Company achieved an annual energy saving of 102.98 MTOE with an investment of ₹11.42 lakhs
3. By Regular procurement of renewable energy through G-DAM/STOA mechanisms Renewable energy usage has increased by approximately 80% during the current financial year (April 2025 – March 2026) compared to the previous financial year (2024–25).

iii. Imported technology

No technology has been imported during the Financial Year 2025-26

iv. The major activities of Research & Development (R&D)

In-House Research Projects

- **Commercialisation of Calcium Nitrate fortified with Magnesium**: Laboratory-scale and pilot-scale trials have successfully demonstrated the technical feasibility and process stability for producing magnesium fortified calcium nitrate. The results indicate that the product meets desired quality specifications. Based on these findings, the process is considered scalable and further steps towards commercial scale production, including process optimization are being undertaken.
- **Phosphogypsum Utilization:** Research focused on exploring industrial applications for effective utilization of phosphogypsum is ongoing.

Research Projects Submitted to Department of Scientific and Industrial Research (DSIR)

- Feasibility Study on Formulation of Insecticidal Organic Fertiliser: Formulations of insecticides combined with fertilizers provides nutrients for the plant growth, while eliminating/controlling unwanted insects that affect the plants.
- Studies on Economical Extraction of Lignin Compounds from Coir Pith: Research aimed at value recovery and sustainable utilization of agro-industrial residues.

Memorandum of Understanding (MoU) with Indian Council of Agricultural Research (ICAR)

An MoU has been entered into with ICAR along with other Fertiliser Companies in Govt./co-operative sectors to fund Nano Urea Project by ICAR, as per the direction from Ministry of Chemicals and Fertilizers.

Memorandum of Understanding (MoU) with Kerala Agricultural University (KAU)

An MoU entered with KAU to establish a collaborative framework for field based research and evaluation of FACT's fertiliser formulations through selected post graduate students of KAU.

During the Financial Year 2025-26, Company invested ₹155.67 Lakh (previous year ₹57.41 lakh) towards revenue expenditure and ₹96.65 Lakh (previous year ₹8.60 lakh) towards capital expendi-ture on Research & Development, reflecting its continued commitment to innovation and growth.

C. Foreign Exchange Earnings and Outgo

Details of foreign exchange earnings and outgo are given below.

Foreign Exchange Earnings and Outgo			
		Current Year	Previous Year
		₹ in Crore	
1	Foreign Exchange Earned	0	0
2	Foreign Exchange Outgo		
	(i) CIF value of Imports		
	(a) Raw Materials	1,403.91	845.66
	(b) Traded Products	1,108.94	438.42
	(c) Spares and Other materials	5.10	4.16
	(d) Capital Goods	-	0.00
		2,517.96	1288.25
	(ii) Expenditure in Foreign Currency (Cash Basis)	-	-
	(a) Consultancy Services	0.03	0.05
	(b) Others	0.37	0.44
		0.41	0.49
	Total (i + ii)	2,518.37	1288.74

Place: Udyogamandal
Date: 01-09-2026

(S. Sakthimani)
Chairman & Managing Director
DIN:07482308

Annexure 2

ISO 9001 BUREAU VERITAS Certification

SVJS & Associates
Company Secretaries

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members
The Fertilisers and Chemicals Travancore Limited

We have examined the compliance of conditions of Corporate Governance by **THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED** (CIN: L24129KL1943GOI000371) having its registered office at Eloor P. O., Udyogamandal, Alwaye, Ernakulam, Kerala – 683501 (hereinafter referred to as 'the Company'), for the year ended **31st March, 2026** as stipulated in Regulation 17 to 27 and clause (b) to (i) and (t) of Regulation 46 (2), Schedule V and Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated above. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2026 except that:

1. *As per regulation 17(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, where the listed entity does not have a regular non-executive chairperson, at least half of the board of directors shall comprise of independent directors. During the period under review, half of the Board of Directors does not comprise of Independent Directors.*

2. *As per the proviso to regulation 17 (1) (a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of directors of the top 1000 listed entities shall have at least one independent woman director. During the period under review, the Company did not have an independent woman director from 01/04/2025 to 04/05/2025.*

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Bengaluru | Chennai | Mumbai

ISO 9001 BUREAU VERITAS Certification

SVJS & Associates
Company Secretaries

3. *As per Regulation 18 (1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, at least two-thirds of the members of audit committee shall be independent directors. Company did not have required number of independent directors to constitute a qualified and independent Audit Committee from 01/04/2025 to 04/05/2025.*

4. *As per Regulation 19(1)(b) and (c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all directors of the committee shall be non-executive directors and at least two-thirds of the directors shall be independent directors. Company did not have required number of independent directors to constitute a qualified and independent Nomination and Remuneration committee from 01/04/2025 to 04/05/2025 and Nomination and Remuneration committee did not have required number of non-executive directors to constitute a qualified and independent Nomination and Remuneration committee upto 09/05/2025.*

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For SVJS & Associates
Company Secretaries

Sd/-
Sreekumar P. S.
Partner
CP. No.: 8067, FCS: 8130

Kochi
14th August, 2026

UDIN: F008130H001110165
Peer Review Certificate No.: 6215/2024

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Annexure 3

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Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members
THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED
Eloor P.O., Udyogamandal
Alwaye, Ernakulam
Kerala – 683501

We, SVJS & Associates, Company Secretaries, have conducted the Secretarial Audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED [CIN: L24129KL1943GOI000371]** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the 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, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2026 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made thereunder;

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(ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the Rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, to the extent applicable;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

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

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

c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

d) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(vi) As informed to us, the following other laws are specifically applicable to the Company:

1. The Fertiliser (Control) Order, 1985;
2. The Manufacture, Storage and Import of Hazardous Chemical Rules, 1989;
3. The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008;
4. The Batteries (Management and Handling) Rules, 2001;
5. The Industries (Development and Regulation) Act, 1951 and the Regulations and Bye-laws framed there under;
6. The Water (Prevention and Control of Pollution) Act, 1974 and the Regulations and Bye-laws framed there under;
7. The Air (Prevention and Control of Pollution) Act, 1981 and the Regulations and Bye-laws framed there under;
8. The Environment (Protection) Act, 1986 and the Regulations and Bye-laws framed there under;

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9. The Factories Act, 1948 and the Regulations and Bye-laws framed there under;
10. The Boilers Act, 1923 and the Regulations and Bye-laws framed there under;
11. Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010;

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

(i) Secretarial Standards relating to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;

(ii) The Listing Agreement entered into by the Company with National Stock Exchange of India Limited;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above, subject to reporting made herein.

In respect of other laws specifically applicable to the Company we have relied on information / records produced by the Company during the course of our audit and the reporting is limited to that extent.

We further report that;

The Board of Directors of the Company comprises of Executive and Non-Executive Directors.

As per sub-section (4) of section 149 of the Companies Act, 2013, every listed public company shall have at least one-third of the total number of Directors as independent Directors. During the period under review from 01/04/2025 to 04/05/2025 the Company did not have one-third of the Board as independent directors.

As per regulation 17(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, where a listed entity does not have a regular Non-Executive Chairperson, at least half of the board of directors shall comprise of independent directors. During the period under review the composition of the Board did not meet this requirement.

As per the proviso to regulation 17 (1) (a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the top 1000 listed entities are required to have at least one independent woman director. Company did not have an independent woman director up to 04/05/2025.

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As per sub-section (2) of section 177 of the Companies Act, 2013, the Audit Committee shall consist of a minimum of three Directors with independent Directors forming a majority and as per regulation 18 (1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, at least two-thirds of the members of audit committee shall be independent directors. Further as per sub-section (1) of section 178 of the Companies Act, 2013, Nomination and Remuneration Committee shall consist of three or more non-executive Directors out of which not less than one-half shall be independent directors and as per regulation 19(1)(b) and (c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all directors of the committee shall be non-executive directors and at least two-thirds of the directors shall be independent directors. Company did not have required number of independent directors to constitute a qualified and independent Audit Committee and Nomination and Remuneration committee from 01/04/2025 to 04/05/2025 and Nomination and Remuneration committee did not have required number of non-executive directors to constitute a qualified and independent Nomination and Remuneration committee upto 09/05/2025.

As per sub-rule (4) of rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, every individual whose name is so included in the independent directors data bank shall pass an online proficiency self-assessment test conducted by the institute within a period of two years from the date of inclusion of his/her name in the data bank. We are unable identify whether Mr. Billeswar Sinha (DIN: 09393543) has passed the online proficiency self-assessment test within the said period of two years.

Subject to the aforesaid, 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 and in compliance with orders issued by the Central Government.

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

All decisions of the board were unanimous and the same was captured and recorded as part of the minutes.

We further report that, as represented by the Management and relied upon by us, there are adequate systems and processes in the Company commensurate with size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

i. Public / Right / Preferential issue of shares / debentures / sweat equity
ii. Redemption / buy-back of securities
iii. Merger / amalgamation / reconstruction, etc.
iv. Foreign technical collaborations

During the period, a resolution was passed at the Annual General Meeting of the Company held on 26.09.2025 for increase in borrowing limits of the Company under Section 180(1)(c) of the Companies Act, 2013 upto an amount not exceeding ₹5,000 Crores (Rupees Five Thousand Crores only) and creation of Charge in respect of borrowing.

Further, the Hon'ble National Company Law Tribunal (NCLT), Kochi Bench, vide its order dated 26.09.2025, approved the Resolution Plan for FACT RCF Building Products Limited (FRBL). Since the leased land has been incorporated as an asset in the Resolution Plan, the Company has filed an appeal against this NCLT Order approving the Resolution Plan and the matter is currently pending adjudication before the National Company Law Appellate Tribunal (NCLAT) Chennai. Pursuant to the approval of the Resolution Plan, the Company has ceased to have joint control over FRBL. Accordingly, the Company has discontinued the consolidation of financial statements of FRBL from the financial year 2025-26.

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.

For SVJS & Associates
Company Secretaries

Sd/-
Sreekumar P. S.
Partner
CP. No.: 8067, FCS: 8130

Kochi
14.08.2026

UDIN: F008130H001110132
Peer Review Certificate No.: 6215/2024

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Annexure A

To

The Members
THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED
Eloor P.O., Udyogamandal
Alwaye, Ernakulam
Kerala – 683501

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

1. Maintenance of the secretarial records is the responsibility of the management of the Company. Our responsibility as the Secretarial Auditors is to express an opinion on these secretarial records, based on our audit.

2. During the audit, we have followed the practices and process as were appropriate, to obtain reasonable assurance about the correctness of the contents of the secretarial records. We believe that the process and practices we followed provide a reasonable basis for our report.

3. The correctness and appropriateness of financial records and Books of Accounts of the Company have not been verified.

4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events, etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of the procedures and compliances on test basis.

6. While forming an opinion on compliance and issuing the Secretarial Audit Report, we have also taken into consideration the compliance related actions taken by the Company after 31st March, 2026 but before issue of the Report.

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7. We have considered actions carried out by the Company based on independent legal/professional opinion as being in compliance with law, wherever there was scope for multiple interpretations.

8. The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For SVJS & Associates
Company Secretaries

Sd/-
Sreekumar P. S.
Partner
CP. No.: 8067, FCS: 8130

Kochi
14.08.2026

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Official Visit of National Commission For Backward Classes (NCBC) to the State of Kerala

Visit of Draft and Evidence Committee of Parliament on Official Language held at Kumarakom.

Shri S Sakthimani, C & MD, receiving Shri Jatothu Hussain, Hon'ble Member, National Commission for Scheduled Tribes

MoU with Vegetable and Fruit Promotion Council Keralam (VFPCK) to implement the Project Nutri Gardens in Schools

Annexure 4

Annual Report on CSR Activities of FACT

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

   FACT's CSR Vision is to support responsible and sustainable initiatives, to enhance the quality of life and economic well-being of communities around the operations of the Company. FACT places emphasis on various social responsibility initiatives aimed at supporting the weaker sections of society and enhancing the living standards of communities residing near the factory area. FACT will implement CSR initiatives aimed at empowering the weaker, underprivileged, and marginalized sections of society to help build social capital. Special focus will be given to the development of SC/ST communities. The Board sub-committee, consisting of three Directors including at least one Independent Director, oversees the Company's CSR efforts.

2. **Composition of CSR Committee:**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri.M.Chandran	Independent Director - Chairperson (till 19.06.2026)	3	3
2	Shri. Anupam Misra	Director (Marketing) Member (till 30.06.2026)	3	3
3	Dr. K. Jayachandran	Director (Technical) Member (till 31.05.2026)	3	3

The Corporate Social Responsibility Committee was reconstituted on 14.08.2026 with the newly appointed Independent Director, Shri. Narpat Singh Rathore, Shri. Niranjan Suryabhan Sonak, Director (Marketing) and Shri. Sajo K.F, Director (Technical).

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company.

   Composition of the CSR committee – https://fact.co.in/home/Dynamicpages?MenuId=3056

   CSR Policy - https://fact.co.in//images/upload/CSR-POLICY-of-FACT_749.pdf

   CSR Projects - https://fact.co.in/home/Dynamicpages?MenuId=2951

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. Not Applicable.

5. (a) Average net profit of the company as per sub-section (5) of section 135: ₹23614.12

(b) Two percent of average net profit of the company as per sub-section (5) of section 135: ₹472.28

(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: NIL

(d) Amount required to be set-off for the financial year, if any: ₹245.90

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹226.38

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹226.38

(b) Amount spend in Administrative Overheads: Nil

(c) Amount spend on Impact Assessment, if applicable. Nil

(d) Total amount spent for the financial year. [(a)+(b)+(c)] ₹226.38

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

(₹ In lakhs)

Total amount spent for the financial year	Amount Unspent				
	Total amount transferred to Unspent CSR Account as per section 135(6) of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) of the Act		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
36.33	190.05	29.04.2026	NA	Nil	NA

(f) Excess amount for set off, if any:

Sl. No.	Particulars	(₹ In lakhs)
(i)	Two percent of average net profit of the Company as per Section 135(5)	₹ 472.28
(ii)	Total amount spent for the Financial Year	₹ 472.28 (including ongoing projects)
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sl. No.	Preceding financial year	Amount transferred to Unspent CSR Account under Section 135(6)	Balance Amount in Unspent CSR Account under Section 135 (6)	Amount spent in the reporting financial year	Amount transferred to a Fund as specified under Schedule VII as per second proviso Section 135(5), if any		Amount remaining to be spent in succeeding financial years	Deficiency, if any
					Amount	Date of transfer		
1	2022-23	385.87	227.74	227.74	Nil		Nil	Nil
2	2023-24	--	--	--	--		--	--
3	2024-25	--	--	--	--		--	

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

   If Yes, enter the number of Capital assets created/ acquired –Nil

   Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: NA

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5) of the Companies Act 2013: NA

(S. Sakthimani)
(Chairman & Managing Director)
DIN:07482308

(Narpat Singh Rathore)
(Chairman - CSR Committee)
DIN:118917860

Place: Udyogamandal
Date: 01-09-2026

REPORT ON CORPORATE GOVERNANCE

1. Philosophy on Code of Governance

Your company's focus is always on ensuring good conduct and governance by being transparent, fair, ethical in dealing with all stakeholders like shareholders, customers, vendors, employees, regulatory bodies, and community at large. Your Company strongly believes that good corporate governance is essential for achieving long-term corporate goals and enhancing stakeholder value.

FACT's governance structure broadly comprises the Board of Directors and Committees of the Board at the apex level and the Management structure at the operational level. This structure brings about a blend in governance as the Board sets the overall corporate objectives and provides strategic guidance and independent views to the Management to achieve these corporate objectives.

2. Board of Directors

a. Composition and Category

The composition of the Board during the financial year ended on March 31, 2026 is as follows:

Sl. No	Name of Director	Period From	Period To	Nature of Directorship/ Category	No. of Directorship in other Board
1	Shri. S. Sakthimani (DIN-07482308)	02.02.2026	Continuing	Chairman & Managing Director, Whole-Time Functional / Executive Director/ Additional charge of Director (Finance)	Nil
2	Shri. Manoj Sethi (DIN - 00301439)	14.12.2023	Continuing	Part time Official Director (Non-Executive Director)	1
3	Shri. Santosh Kumar (DIN - 11228100)	17.07.2025	Continuing	Part time Official Director (Non-Executive Director)	Nil
4	Shri. S.C. Mudgerikar (DIN – 03498837)	23.02.2024	31.12.2025	Chairman & Managing Director, Whole-Time Functional / Executive Director	2
5	Shri. Anupam Misra (DIN- 07637439)	14.07.2020	30.06.2026	Director (Marketing) Whole-time Functional / Executive Director	Nil
6	Dr. K. Jayachandran (DIN- 10062573)	03.03.2023	31.05.2026	Director (Technical) Whole-time Functional / Executive Director	1
7	Shri. M. Chandran (DIN- 07817614)	23.06.2023	19.06.2026	Independent Director	1

Sl. No	Name of Director	Period From To	Nature of Directorship/ Category	No. of Directorship in other Board
8	Dr.Aruna Kamineni (DIN- 009591742)	05.05.2025 04.05.2026	Independent Director	0
9	Shri. Billeswar Sinha (DIN - 09393543)	05.05.2025 30.03.2026	Independent Director	0

Shri. Niranjan Suryabhan Sonak has been appointed as Director (Marketing) on 06.07.2026.
Shri. Sajo KF has been appointed as Director (Technical) on 27.07.2026
Shri. Narpat Singh Rathore has been appointed as Non-Executive Independent Director as on 14.08.2026
Shri. Ramawatar Rajgarhia has been appointed as Non-Executive Independent Director as on 14.08.2026

b. Attendance of each director at the meeting of the Board of Directors & the last Annual General Meeting:

Sl. No	Name of Director	Board Meetings in 2025-26					Annual General Meeting 2025
		26.05.2025	13.08.2025	31.10.2025	28.01.2026	30.03.2026	26.09.2025
1	Shri. S. Sakthimani	Y	Y	Y	Y	Y	Y
2	Shri. Manoj Sethi	Y	Y	N	Y	Y	Y
3	Shri. Santosh Kumar	NA	Y	Y	Y	Y	Y
4	Shri. S.C. Mudgerikar	Y	Y	Y	NA	NA	Y
5	Shri. Anupam Misra	Y	Y	Y	Y	Y	Y
6	Dr. K. Jayachandran	Y	Y	Y	Y	Y	Y
7	Shri. M. Chandran	Y	Y	Y	Y	Y	Y
8	Dr. Aruna Kamineni	Y	Y	Y	Y	Y	N
9	Shri. Billeswar Sinha	Y	Y	Y	Y	Y	N

Y-Yes, N-No, NA – Not Applicable.

Shri. S.C. Mudgerikar ceased to be the CMD on 31.12.2025
Shri Santosh Kumar has been appointed as Govt. Nominee Director on 17.07.2025.

c. Disclosure pertaining to Directorship and committee positions in other Company

Sl. no	Name of the Director	No. of Directorship in other public limited companies		Board committee positions held in other public limited companies		Name of other Listed Entity where the person is a Director	Category of Directorship in the Listed Entity
		Chairman	Member	Chairman	Member		
1	Shri. S. Sakthimani	-	-	-	-	-	-
2	Shri. Manoj Sethi	-	1	-	-	Hindustan Organic Chemicals Ltd	Parttime Official Director (Non-Executive Director)
3	Shri. Santosh Kumar	-	-	-	-		
4	Shri. S.C.Mudgerikar	1	-	-	1	Rashtriya Chemicals and Fertilizers Limited.	Chairman& Managing Director-Whole time Functional / Executive Director
5	Shri. Anupam Misra	-	-	-	-		
6	Dr.K.Jayachandran	-	1	-	1	Madras Fertilizers Limited	Director (Technical) -Whole time Functional / Executive Director
7	Shri. M. Chandran	-	-	-	-	-	-
8	Dr. Aruna Kamineni	-	-	-	-	-	-
9	Shri. Billeswar Sinha	-	-	-	-	-	-

Note:- Chairmanship or Membership of only Audit Committee and Stakeholders Relationship Committees have been considered.

d. Number of meetings of the Board of Directors and dates on which Board Meetings were held:

Five (5) Board Meetings were held during the year under review. Details of meeting held are as follows:

SL. NO.	BOARD MEETING NUMBER	DATE OF MEETING	BOARD STRENGTH	DIRECTORS PRESENT
1	531	26.05.2025	9	9
2	532	13.08.2025	9	9
3	533	31.10.2025	9	8

SL. NO.	BOARD MEETING NUMBER	DATE OF MEETING	BOARD STRENGTH	DIRECTORS PRESENT
4	534	28.01.2026	8	8
5	535	30.03.2026	8	8

e. Disclosure of Relationships between Director inter-se: Nil

f. Number of shares and convertible instruments held by non-executive directors: Nil

g. Familiarization programme imparted to Independent Directors

FACT is providing familiarization programme to Independent Directors. Details of familiarization programme imparted to independent directors can be accessed at the web link – https://fact.co.in/home/Dynamicpages?MenuId=1922

h. List of Core Skills/ Experience/ Competencies Identified by the Board

FACT is a Government Company within the meaning of section 2(45) of the Companies Act, 2013. All members on the Board are nominated/appointed by the Government of India.

All members on the Board are possessing core skills/expertise and competencies required in the realm of its business.

The Company has identified the following Core Skills/ Practical Experience/ Special Knowledge/ Competencies as required in the context of its business(es) and sector(s) for it to function effectively. The same are in line with the relevant provisions of the Companies Act, 2013.

1. Marketing, Engineering and Research
2. Finance, accounting, economics and corporate governance
3. Law, Agriculture and Rural Economy
4. Environment and green technologies
5. Public Sector Undertaking
6. Business Management
7. Risk Management
8. Human Resources and General Administration
9. Any other matter the special knowledge and practical experience of which would, in the opinion of the Board, be useful to the Company.

The Company has identified the following skill set with reference to its Business and Industry which are available with the Board:

Designation	Expertise in specific functional area
Chairman and Managing Director	Expertise in efficient Administration and Management of a Schedule A PSE, Risk Management, Public Sector Undertaking, Costing, Research and Development & Business Management
Director (Technical)	Fertilizers and Chemicals, Research and Development, Engineering, Human Resources & Agriculture and Rural Economy

Designation	Expertise in specific functional area
Director (Finance)	Fertilizers and Chemicals, Finance, Public Sector Undertaking, Economics, Costing, Risk Management, Human Resources& General Administration
Director (Marketing)	International Trade, Marketing, Sales & Distribution, Logistics Management, Business Management &Strategy, Public Sector Undertaking, Contracting, Negotiations, Trade financing
Govt. Nominee Directors	General Administration, Finance, Fertilizers and Chemicals, Economics, Agriculture and Rural Economy & Public Sector Undertaking
Independent Directors	Law/General Administration/ Human Resources/ Agriculture /Rural Economy /Research and Development/Fertilizers and Chemicals /Risk Management/ Costing/ Business Management &Economics

The Board has identified the following Skills/ Experience/ Competencies in the following Directors:

Sl. No.	Director	Skills/Competency/Experience
1	**Shri. S. Sakthimani**	Finance, Public Sector Undertaking, Economics, Costing Risk Management, Human Resources & General Administration
2	**Shri. Niranjan Suryabhan Sonak**	International Trade, Marketing, Sales & Distribution, Logistics Management, Business Management & Strategy, Public Sector Undertaking, Contracting, Negotiations, Trade financing
3	**Shri. Sajo K.F.**	Fertilizers and Chemicals, Research and Development, Engineering, Project Management
4	**Shri. Santosh Kumar**	General Administration, Finance, Fertilizers and Chemicals, Costing, Public Sector Undertaking
5	**Shri. Manoj Sethi**	General Administration, Finance, Fertilizers and Chemicals, Costing, Agriculture and Rural Economy & Public Sector Undertaking
6	**Shri. Narpat Singh Rathore**	Law/General Administration/ Human Resources/ Agriculture /Rural Economy /Research and Development/ Fertilizers and Chemicals /Risk Management/Costing/ Business Management &Economics
7	**Shri. Ramawatar Rajgarhia**	Law/General Administration/ Human Resources/ Agriculture /Rural Economy /Research and Development/ Fertilizers and Chemicals /Risk Management/Costing/ Business Management &Economics

i. Confirmation from Independent Directors:

The Independent Directors have submitted a declaration that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and the rules notified there under and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

In the opinion of the Board, the Independent Directors fulfil the conditions of independence specified in the Act and SEBI (LODR) and are independent of the management.

The terms and conditions of appointment of Independent Directors are hosted on the website of the Company https://fact.co.in/

j. Resignation of Independent Director

During the year, w.e.f 31st March 2026; Shri Billeswar Sinha (DIN: 09393543) ceased to be an Independent Director of the Company consequent to his resignation on account of him contesting for the West Bengal Legislative Assembly Election. He has confirmed that there is no other material reason for his resignation apart from the one stated above.

3. Board Committees

The Board of FACT has constituted the following committees:

(i) Audit Committee

The Audit Committee is constituted in line with section 177 of the Companies Act, 2013, Regulation 18 of SEBI (LODR) Regulations, 2015 and guidelines on Corporate Governance as issued by Department of Public Enterprises. The Audit Committee has been reconstituted on account of change in Directors.

The Terms of reference of the Audit committee of the Board are as per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

The Audit Committee meetings are attended by Director (Finance)/CFO as an invitee. The representatives of the Statutory Auditors are also invited to attend the meetings while considering the quarterly results/annual financial statements and to discuss the nature and scope of the Audit. The Cost Auditors are also invited, when the Cost Audit Report is considered by the Audit Committee.

Composition, Meetings and Attendance:

Sl. No.	Composition of the Audit Committee	Category	Date of Audit Committee Meetings and attendance of Members			
			26.05.2025	13.08.2025	31.10.2025	28.01.2026
1	Shri. M.Chandran	Chairperson (till 19.06.2026)	Y	Y	Y	Y
2	Dr. Jayachandran K.	Member (till 08.05.2026)	Y	Y	Y	Y
3	Dr. Aruna Kamineni	Member (till 04.05.2026)	Y	Y	Y	Y

Y-Yes, N-No, NA – Not Applicable.

Shri. Anupam Misra and Shri.Santosh Kumar have been appointed as Members of Audit Committee on 08.05.2026.
The Audit Committee was reconstituted on 14.08.2026 with the newly appointed Independent Directors, Shri. Narpat Singh Rathore and Shri. Ramawatar Rajgarhia, and Shri. Sajo K.F., Director (Technical), as Members.

(ii) Nomination and Remuneration Committee

FACT is a Government Company (CIN: L24129KL1943GOI000371) in terms of Section 2 (45) of the Companies Act, 2013. The Board of Directors of FACT are nominated/appointed by the Government of India. The Government of India fixes the remuneration of Chairman and Managing Director and other Whole-time Functional Directors. The Company is not paying any remuneration to part-time official directors (Nominees of Government of India). However, Independent Directors are being paid sitting fee of ₹20000/- for attending each meeting of the Board and Committee of the Board.

Remuneration of the below Board level executives are fixed on the basis of Government guidelines in this regard with the approval of the Board of Directors and Government of India.

The remuneration / wages of employees / workers is finalized on the basis of agreement with Trade Unions and with the approval of Board / Government of India.

The role of Nomination and Remuneration Committee is as per the provisions of SEBI (LODR) Regulations, 2015; the Companies Act, 2013 and DPE guidelines on Corporate Governance for Central Public Sector Enterprises.

Details of remuneration paid to Functional Directors are separately shown in the Annual Report.

Nomination and Remuneration Committee has been reconstituted on account of change in Directors.

The Terms of reference of the Nomination and Remuneration committee of the Board are as per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

Composition, Meetings and Attendance:

Sl. No.	Composition of the Nomination and Remuneration Committee	Category	Date of Nomination and Remune-ration Committee Meetings and attendance of Members
			25-07-2025
1	Shri. M.Chandran	Chairperson (till 19.06.2026)	Y
2	Shri. S.C. Mudgerikar	Member (till 31.12.2025)	Y
3	Shri. Billeswar Sinha	Member (from 09.05.2025 to 30.03.2026)	Y
4	Dr. Aruna Kamineni	Member (from 01.01.2026 to 04.05.2026)	NA

Y – Yes, N- No, NA – Not Applicable.

Shri. S. Sakthimani and Shri. Manoj Sethi have been appointed as Members of Nomination and Remuneration Committee on 04.04.2026 and 08.05.2026 respectively.
The Nomination and Remuneration Committee was reconstituted on 14.08.2026 with the newly appointed Independent Directors, Shri Narpat Singh Rathore and Shri Ramawatar Rajgarhia, and Shri S Sakthimani ,Chairman and Managing Director of the Company.

Evaluation Criteria for Independent Directors

Being a Government Company, all the Directors on the Board of FACT are appointed by the Government of India. The performance evaluation of all the Directors including Independent

Directors are done by the Department of the Central Government or Ministry, which is administratively in charge of the Company. The Board at its 529th meeting held on 14.02.2025, approved the evaluation criteria, based on which the performance evaluation of the Independent Directors was carried out by the entire Board of Directors at its 535th meeting held on 30.03.2026, in accordance with Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The evaluation criteria of the Independent Directors include, participation at Board/ Committee Meetings, Managing Relationship and Code of Conduct.

Separate Meeting of Independent Directors

As provided by Schedule IV - Code of Independent Directors to the Companies Act, 2013 and Regulations 25 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on 30th March 2026.

(iii) Shareholders / Investors Grievance Committee / Stake Holders Relationship Committee

Stakeholder's Relationship Committee is constituted in line with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulations, 2015.

The Board of Directors of the Company has constituted a Shareholders / Investors Grievance Committee / Stake Holders Relationship Committee consisting of the following Directors to look into the Complaints/ Grievances of Shareholders.

Composition, Meetings and Attendance:

Sl. No	Composition of the Stake Holders Relationship Committee	Category	Date of Stake Holders Relationship Meeting and attendance of Members
			26-09-2025
1	Shri. M. Chandran	Chairperson (till 19.06.2026)	Y
2	Shri S. Sakthimani	Member	Y
3	Shri. Anupam Misra	Member (till 30.06.2026)	Y

Y – Yes, N- No, NA – Not Applicable.

The Stake Holders Relationship Committee was reconstituted on 14.08.2026 with the newly appointed Independent Director, Shri Narpat Singh Rathore and Shri. Sajo K.F Director(Technical).

The Complaints of Investors / Shareholders are promptly attended to either by the Share Transfer Agent of the Company or by the Company directly and no complaints of Shareholders remain unattended as on 31.03.2026.

Compliance Officer:
Name and Designation of Compliance Officer is as follows;

Susan Abraham
Company Secretary
The Fertilisers And Chemicals Travancore Limited,
Udyogamandal-683 501, Kerala;
e-mail – investors@factltd.com: Phone: 0484-2567620

Details of complaints received and redressed during the financial year:

FACT received only three (3) shareholder complaints during the financial year 2025-26, including one (1) through SEBI-SCORES, and all were promptly addressed and resolved.

Complaints Unattended: None of the complaints remain unresolved during the year.

Pending Complaints: None of the complaints are pending for redressal.

(iv) Risk Management Committee

FACT is one among the top 500 listed Companies based on Market Capitalization. FACT has constituted a Risk Management Committee in line with SEBI (LODR) Regulations, 2015. The role of Risk Management Committee is as per the provisions of SEBI (LODR) Regulations, 2015, Companies Act, 2013 and the Risk Management Policy of the Company.

Composition, Meetings and Attendance:

Sl. No	Composition of the Risk Management Committee	Category	Date of Risk Management Committee Meetings and attendance of Members	
			17-10-2025	30-03-2026
1	Shri. M. Chandran	Chairperson (till 19.06.2026)	Y	Y
2	Shri. S. Sakthimani	Member (upto 14.08.2026)	Y	Y
3	Shri. Anupam Misra	Member (till 30.06.2026)	Y	Y
4	Dr. K. Jayachandran	Member (till 31.05.2026)	Y	Y

Y – Yes, N- No, NA – Not Applicable.

The Risk Management Committee was reconstituted on 14.08.2026 with the newly appointed Independent Director, Shri. Ramawatar Rajgarhia, Shri. Niranjan Suryabhan Sonak ,Director(Marketing) and Shri Sajo K.F Director (Technical).

(v) Committee on Corporate Social Responsibility

The Board of Directors of the Company has constituted a Committee on Corporate Social Responsibility as per the provisions of Section 135 of the Companies Act 2013 and the Companies (Corporate Social Responsibility Policy) Rules 2014.

Composition, Meetings and Attendance:

Sl. No.	Composition of the Corporate Social Responsibility Committee	Category	Date of Corporate Social Responsibility Committee Meetings and attendance of Members		
			13-08-2025	28-01-2026	16-03-2026
1	Shri. M. Chandran	Chairperson (till19.06.2026)	Y	Y	Y
2	Shri. Anupam Misra	Member (till 30.06.2026)	Y	Y	Y
3	Dr. K. Jayachandran	Member (till 31.05.2026)	Y	Y	Y

Y – Yes, N- No, NA – Not Applicable.

The Corporate Social Responsibility Committee was reconstituted on 14.08.2026 with the newly appointed Independent Director, Shri. Narpat Singh Rathore, Shri. Niranjan Suryabhan Sonak Director (Marketing), Shri. Sajo K.F ,Director (Technical).

4. Senior Management

Particulars of senior management and changes therein are as follows:

The particulars of senior management as per Regulation 16(1)(d) of the Listing Regulations including the changes during the financial year 2025-26 are as follows:

Sl. No.	Name	Designation	Remarks
1	Shri. Manikkuttan R	Executive Director (Production Coordination)	Nil
2	Shri. Jayaraj K B	Chief General Manager (Administration)	CGM (FEDO) w.e.f 01.06.2023-09.05.2025 CGM (Admin) w.e.f. 10.05.2025
3	Shri. Dileep R	Chief General Manager (Udyogamandal Complex)	CGM (CD) w.e.f. 24.01.202509.05.2025 CGM (UC) w.e.f. 10.05.2025
4	Shri. Sajo K F	Chief General Manager (F&F)	Promoted as CGM (UC) w.e.f 14.02.2025-09.05.2025 CGM (F&F) w.e.f.10.05.2025
5	Shri. Jayanthan B	Chief General Manager (Materials)	CGM (Materials) w.e.f.13.08.2025
6	Shri. Biju K B	Chief General Manager (Cochin Division)	CGM (CD) w.e.f. 13.08.2025
7	Shri. Asok Kumar K A	General Manager (Projects & Construction)FEDO	Nil
8	Shri. Ashish Achuthan Nair	General Manager (Engineering) FEDO	Nil
9	Shri. Sisupalan K	General Manager (Technical) Udyogamandal Complex	GM (Admin) w.e.f.06.12.2024-09.05.2025 GM(T)UC w.e.f.10.05.2025
10	Shri. Reji K S	General Manager (CAPEX Projects) /FEDO	Nil
11	Dr. Babu Jose	General Manager (Operations) Udyogamandal Complex	Nil
12	Shri. Pradeepkumar C	General Manager (Corporate Finance)	GM (Fin) w.e.f 18.07.2022 - 06.08.2025 GM(CF) w.e.f. 07.08.2025 Designated as CFO w.e.f 29.05.2026
13	Shri. Xavier Alexander Rajan	General Manager (Information Technology)	Superannuated on 31.05.2026
14	Shri. Joy M A	General Manager (Maintenance) Udyogamandal Complex	Nil
15	Shri. Jayaprakashan U T	General Manager (Operations) Cochin Division	GM(OP)CD w.e.f 10.05.2025
16	Ms. Maria Varghese	General Manager (Human Resources)	Nil
17	Shri. Sajith Kumar K	General Manager (Technical) Cochin Division	Nil
18	Shri. Jeetendra Kumar	General Manager (Marketing)	Nil
19	Ms. Deepam Pillai	General Manager (Finance)	GM(Finance) w.e.f. 25.07.2025
20	Ms. Susan Abraham	Company Secretary	Nil

5. Remuneration of Directors

Functional (Executive) Directors are appointed by Government of India and their remuneration and other terms and conditions are governed by the terms of appointment as decided by the Government. Remuneration paid to the Directors during the year 2025-2026 is as under:

Sl. No	Name of the Director	Salary and Allowances (in ₹)	Other benefit and perquisites (in ₹)	Performance Linked Incentives (in ₹)	Total Remuneration (in ₹)
1	Shri. S. Sakthimani Director (Finance)	53,29,900	2,57,136	-	55,87,036
2	Shri. Anupam Misra Director (Marketing)	54,00,583	2,61,310	-	56,61,893
3	Dr. K. Jayachandran Director (Technical)	62,52,822	-	-	62,52,822
				Total	1,75,01,751

No stock option scheme was issued to Directors in the year 2025-26.

Part-Time Government Nominee Directors are neither paid any remuneration nor paid sitting fees for attending Board Meetings. None of the Govt. Nominee Directors had any pecuniary relationship or transactions with the Company during the year 2025-26.

Sitting fees of ₹20,000/- per meeting has been paid to Independent Directors for attending meetings of the Board and sub committees of the Board. The sitting fee paid during the financial year 2025-26 is as follows:

Sl. No.	Name of the Director	Sitting Fees (in ₹)
1	Shri M. Chandran	3,40,000
2	Dr. Aruna Kamineni	2,00,000
3	Shri. Billeswar Sinha	1,40,000
	Total Sitting fee paid	**6,80,000**

6. General Body Meetings

The date, time and venue and particulars of special resolution passed at the last three Annual General Meetings were as follows:

Year	Date	Time	Venue	Details of Special Resolution
2022-2023	29.09.2023	11.00 AM	Through Video Conferencing (VC) /Other AudioVisual Means (OAVM)	1. Appointment of Shri M. Chandran as an Independent Director of the Company. 2. Appointment of Shri Keda Tanaji Aher as an Independent Director of the Company.
2023-2024	27.09.2024	11.00 AM	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	NIL

Year	Date	Time	Venue	Details of Special Resolution
2024-2025	26.09.2025	11.00AM	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	1. Appointment of Shri. Billeswar Sinha as an Independent Director of the Company. 2. Appointment of Dr. Aruna Kamineni as an Independent Director of the Company. 3. Increase in borrowing limits of the Company under Section 180(1)(c) of the Companies Act, 2013 and creation of Charge on movable and immovable properties of the company in respect of borrowing.

7. Postal Ballot

No item warranted the conducting of postal ballot as stipulated in the Companies Act, 2013. No Special resolution has been proposed to be conducted through postal ballot.

8. Means of Communications

The quarterly financial results of the Company are announced within forty five days of the end of the respective quarter. The quarterly, half-yearly and annual financial results of the company are published in newspapers in India including Janmabhumi and Business Standard. The financial results are also posted in company's website www.fact.co.in.

The Company's website, www.fact.co.in provides separate section for Investors where relevant information is available. Financial results are sent to the Stock Exchange where the Company's shares are listed.

During the year, no presentations were made to institutional investors or to the analysts.

9. General Shareholders Information

a) Information relating to the Annual General Meeting

82nd Annual General Meeting	
Day	Tuesday
Date	29-09-2026
Time	11 am
Venue	Through Video Conferencing (VC) / Other Audio - Visual Means (OAVM)

b) Financial Year: 01st April to 31st March

Dates of Book Closure	23-09-2026 to 29-09-2026
Dividend Payment Date	Not Applicable

Listing
The shares of the Company are listed in National Stock Exchange of India Ltd, Mumbai. Listing Fees as applicable have been paid.

Stock code	
Name of Stock Exchange	National Stock Exchange of India Limited, Exchange Plaza, 5th Floor Bandra – Kurla Complex, Bandra (East) Mumbai – 400 051
Stock Code	FACT

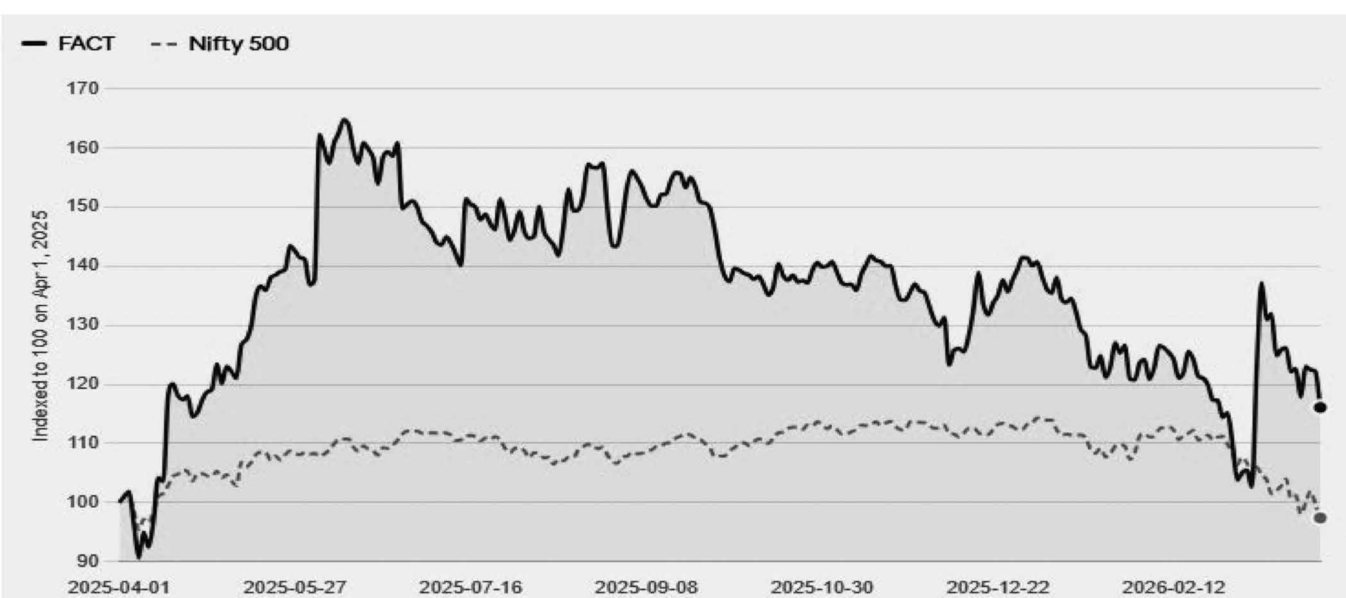
c) Market Price

During the financial year 2025-26, the share price of the Company touched ₹1112 per share. The share price of the Company opened at ₹636 on April 1st 2025 and closed at ₹749.15 on March 30th, 2026 in the National Stock Exchange of India Limited

Month	High (₹)	Low (₹)
April 2025	798.85	565.00
May 2025	942.95	749.00
June 2025	1,112.00	873.45
July 2025	997.00	900.55
August 2025	1,033.00	905.00
September 2025	1,028.80	887.50
October 2025	930.40	865.00
November 2025	926.00	856.45
December 2025	932.50	775.00
January 2026	919.85	765.75
February 2026	838.00	726.90
March 2026	928.80	652.10

<u>**Performance of the share price of the Company in comparison to the NSE-NIFTY**</u>

The relative performance of the monthly closing price of the Company's share vis-à-vis NSE-NIFTY during the year 2025-26 is given below:



d) Registrar and Share Transfer Agent (RTA)

PurvaSharegistry (India) Pvt. Ltd,
Unit No. 9, Shiv Shakti Industrial Estate,
J.R. BorichaMarg, Mumbai - 400 011
Contact No.: 022 23018261 / 022 49614132.
Email – support@purvashare.com

Share Transfer System

The Company's shares being in the compulsory demat list, are transferable through the depository system.

e) Distribution of Shareholding as on 31.03.2026

Shareholding of Nominal Value of ₹ 10/-	Shareholders		Amount (₹)
	Number	% to Total	
1 - 100	61369	87.98	14713840
101 - 200	4189	6	6661640
201 - 500	2765	3.96	9413120
501 - 1000	924	1.32	7227700
1001 - 5000	447	0.64	8885000
5001 - 10000	34	0.05	2342590
10001 - 100000	27	0.04	8056740
100001 to Above	10	0.01	6413419110
Total	**69765**	**100**	**6470719740**

During the financial year 2025-26, FACT shares were actively traded on National Stock Exchange. Based on Market Capitalization, FACT is one among the top 200 listed Companies.

f) De-materialization of shares and liquidity

The summarized position of shareholders in Physical and Demat segment as on 31.03.2026 is as under

Type of Shareholding	Shareholders (Folios)		Shareholding (%)	
	Number	%	Number	%
Holding in NSDL	17421	24.97	641396706	99.12%
Holding in CDSL	47436	67.99	2738046	0.42%
Holding in Physical	4908	7.04	2937222	0.45%
Total	**69765**	**100.00**	**647071974**	**100.00**

g) Plant Locations

Sl.No	Activity	Locations
1	Fertiliser	Udyogamandal & Ambalamedu, Kochi
2	Petrochemical-Caprolactam	Udyogamandal, Kochi
3	Engineering works	Palluruthy, Kochi

h) Address for correspondence by Shareholders:

The Company Secretary
The Fertilisers and Chemicals Travancore Limited,
Udyogamandal-683 501, Kerala;
e-mail – investors@factltd.com:
Phone: 0484-2567620

i) Credit Rating

During the financial year 2025-2026 Acuite Ratings & Research Limited has given rating on the bank facilities of the Company as follows:

Instrument	Rating Agency	Rating	Outlook
Long term Bank Loan	Acuite Ratings & Research Limited	ACUITE A	Negative
Short term Bank Loan	Acuite Ratings & Research Limited	ACUITE A1	-

j) Outstanding GDRs / ADRs / Warrants or any convertible instruments conversion date and likely impact on equity

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments and hence there would not be any impact on the equity.

10. Other Disclosures

a. During the year 2025-26, the Company has not entered into any materially significant related party transactions that may have potential conflict of interest with the Company at large.

   Policy on dealing with Related Party Transactions of the Company can be accused in the web link: https://fact.co.in/home/Dynamicpages?MenuId=46

b. The Company has complied with requirements of listing agreement and guidelines of the Stock Exchanges / SEBI / other Statutory Authorities, except as provided in (c) below.

c. During the year 2025-26, The National Stock Exchange of India Limited has imposed fines of, ₹23,37,580/- for non-compliance of regulations 17(1), 18(1) and 19(1) of SEBI (LODR) Regulations 2015 relating to composition of the Board and sub-committees of the Board. Since the Board of Directors are nominated by Government of India and Composition of the Board is beyond the control of the Company, a request has been submitted to the Stock exchange for waiver of fine.

   Once the Govt. of India notifies the appointment of Independent Director, FACT shall comply with the SEBI (LODR) Regulations, 2015 relating with composition of the Board.

d. The Company has formulated a Vigil Mechanism in terms of Regulation 46(2)(e) of SEBI (LODR) Regulations, 2015. This policy is available at website of the Company at https://fact.co.in/home/Dynamicpages?MenuId=45. No personnel have been denied access to the Audit Committee.

e. The company does not have any subsidiary. Hence it does not have a policy for determining material subsidiary.

f. The company neither has commodity price risk nor is involved in commodity hedging activities.

g. The company has not raised any fund through preferential allotment or qualified institutions placement.

h. All the recommendations made by the sub-committees of the Board have been accepted by the Board

i. Details of Statutory Audit fee and expenses, as per the Financial Statements for the year 2025-26 are given below. The Statutory Auditors of the Company have not rendered any service to the joint ventures/Associate Company of FACT.

Sl No	Particulars	Amount (in Lakhs)
1	For Statutory Audit	12
2	For Other Services	6.85
3	For Expenses	1.51
	Total	**20.36**

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

The Company has formulated a Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received relating to sexual harassment.

Following are the summary of sexual harassment complaints received and disposed of during the period under review:

Number of complaints filed during the financial year	:	0
Number of complaints disposed of during the financial year	:	0
Number of complaints pending as on end of the financial year	:	0

k. There are no loans and advances in the nature of loans to firms/companies in which Directors are interested.

l. There are no material subsidiaries for the Company.

m. Certificate from Company Secretary In Practice

Certificate from M/s SVJS & Associates, Company Secretaries, Kochi, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI, Ministry of Corporate Affairs, or any other Statutory Authority, as stipulated under Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached to this Report as **Annexure - A.**

11. There are no non-compliance of any requirement of Corporate Governance report of sub para (2) to (10) above.

12. During the year under review, the Company has not adopted any discretionary requirements provided under Part E of Schedule II of SEBI (LODR). The Statutory Auditors have expressed un-modified opinion on the Financial Statements for the year 2025-26.

13. Disclosure of Compliance with Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46.

A detailed report on the status of compliance with all the applicable laws including corporate laws, rules and regulations by the Company is placed before the Board on a half yearly basis for their information and review. The Company has complied with all the mandatory requirements of the Code of Corporate Governance as specified in Regulations 17 to 27 and Clauses (b) to (i) of Sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.

14. Annual Secretarial Compliance Report

Pursuant to the SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 8, 2019, the Company has obtained Annual Secretarial Compliance Report from M/s SVJS & Associates, Company Secretaries, Kochi, confirming compliance of SEBI Regulations / Circulars / Guidelines issued there under and applicable to the Company. They have reported that the Company is not complying with the provisions of Regulations 17(1), 18 (1), 19(1), and 33 (1), 30(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

The Company will comply with Regulation 17(1),18(1), 19(1) upon notification of the appointment of Independent Directors by the Government of India.

15. Disclosures with respect to DEMAT Suspense Account/ Unclaimed Suspense Account

No Shares are lying in the Demat suspense account/ unclaimed suspense account of FACT

16. Disclosure of certain types of agreements binding the Company (Clause 5A of Paragraph A of Part A of Schedule III of SEBI (LODR)

There are no agreements impacting management or control of the Company or imposing any restriction or creating any liability upon the Company.

17. Compliance of Corporate Governance requirements and guidelines issued by DPE:

The Company is giving top priority for the compliance of Corporate Governance requirements and guidelines on Corporate Governance issued by DPE. The Company complied with the guidelines on Corporate Governance issued by DPE applicable to FACT and Corporate Governance requirements as specified in regulation 17 to 27 and Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Place: Udyogamandal
Date: 01-09-2026

(S.Sakthimani)
Chairman & Managing Director
DIN-07482308

Shri. S. Sakthimani C&MD hoisting the National Flag at the Independence Day celebrations

Shri. S. Sakthimani, C&MD inspecting the Independence Day Parade

Independence Day Celebrations

CFO / CEO's CERTIFICATION

We Certify that:

(a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

  i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

  ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations:

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit Committee:

  i. Significant changes in internal control over financial reporting during the year;

  ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements.

  iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over reporting.

(Pradeep Kumar.C) **Chief Financial Officer**	**(S.Sakthimani)** **Chairman & Managing Director** **DIN: 07482308**

DECLARATION OF COMPLIANCE OF CODE OF BUSINESS CONDUCT AND ETHICS

Members of the Board of Directors and Senior Executives of FACT have complied with the provisions of the Code of Conduct and Ethics applicable to Directors and Senior Executives of the Company for the financial year 2025-26.

The information relating to FACT has been documented in the website of the Company www.fact.co.in.

Place: Udyogamandal Date: 01-09-2026	**(S.Sakthimani)** **Chairman & Managing Director** **DIN-07482308**

Annexure A

ISO 9001
BUREAU VERITAS
Certification

SVJS & Associates
Company Secretaries

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members of
THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED
Eloor P. O., Udyogamandal
Alwaye, Ernakulam
Kerala - 683501

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED** having CIN: L24129KL1943GOI000371 and having registered office at Eloor P. O., Udyogamandal, Alwaye, Ernakulam, Kerala – 683501 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para-C Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31st March, 2026** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority except as mentioned below.

Sl. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Shriniwas Chandrashekhar Mudgerikar*	03498837	23-02-2024
2.	Mr. Munirathinam Chandran$	07817614	23-06-2023
3.	Mr. Manoj Sethi	00301439	14-12-2023

www.svjs.in svjsassociates@gmail.com /info@svjs.in 0484 2950009 / 2950007
65/2364A, Ponoth Road, Kaloor, Kochi, Ernakulam, Kerala– 682 017
Bengaluru | Chennai | Mumbai

ISO 9001 BUREAU VERITAS Certification

SVJS & Associates
Company Secretaries

4.	Mr. Krishnanunni Jayachandran+	10062573	03-03-2023
5.	Mr. Anupam Misra&	07637439	14-07-2020
6.	Mr. Sakthimani Seshamani	07482308	08-03-2021
7.	Ms. Tina Soni#	07720240	21-02-2025
8.	Mr. Santosh Kumar	11228100	06-08-2025
9.	Ms. Aruna Kamineni^	09591742	05-05-2025
10.	Mr. Billeswar Sinha@	09393543	05-05-2025

*ceased on 31-12-2025
$ ceased 19.06.2026
+ ceased 31.05.2026
& ceased 30.06.2026
# ceased on 12-05-2025
^ceased on 05-05-2026
@ceased on 31-03-2026

As per sub-rule (4) of rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, every individual whose name is so included in the independent directors data bank shall pass an online proficiency self-assessment test conducted by the institute within a period of two years from the date of inclusion of his/her name in the data bank. We are unable identify whether Mr. Billeswar Sinha (DIN: 09393543) has passed the online proficiency self-assessment test within the said period of two years.

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For SVJS & Associates
Company Secretaries

Sd/-
Sreekumar P. S.
Partner
CP. No.: 8067, FCS: 8130

Kochi
14.08.2026

UDIN: F008130H001110143
Peer Review Certificate No.: 6215/2024

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MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Development

The fertilizer industry occupies a strategic position in the Indian economy by supporting agricultural growth and ensuring the nation's food security. As one of the world's largest fertilizer markets, India's fertilizer sector is integral to sustaining agricultural productivity and meeting the nutritional requirements of its rapidly growing population. The industry is significantly influenced by Government policies, particularly the fertilizer subsidy regime, which continues to play a critical role in ensuring affordability for farmers while supporting the sector's growth and stability.

The fertilizer industry has been instrumental in the success of India's Green Revolution and the nation's subsequent achievement of self-reliance in food grain production. Fertilizer consumption in the country has been on a steady rise and is projected to increase further in the coming years. Fertilizers are expected to continue playing a vital role in enhancing average agricultural yields. However, both the intensity of fertilizer use and yield per unit of cultivated area in India remain significantly lower compared to many developed and emerging economies. Despite notable progress, the pattern of fertilizer use in the country continues to be imbalanced.

The declining fertility of agricultural land, coupled with the increasing demand for food grains, has further reinforced the strategic importance of the fertilizer industry. To strengthen long-term food security and reduce import dependence, the Government of India continues to implement various policy initiatives aimed at enhancing domestic production capacity and improving self-reliance in the fertilizer sector. However, India remains substantially dependent on imports to meet its fertilizer requirements, with the entire demand for potash being fulfilled through imports and a significant portion of the raw materials and hydrocarbon feedstocks required for the manufacture of other fertilizers also sourced from international markets.

To address the high volatility in international prices and the availability of fertilizer inputs, the country is actively pursuing measures to reduce import dependence by enhancing domestic production capacity and introducing more effective and innovative products.

Over the past year, the prices and availability of raw materials witnessed significant volatility, largely due to geopolitical tensions. In response, the Government of India took timely measures to ensure the availability of fertilizers and raw materials.

Fertilizers continue to be a vital input for Indian agriculture, essential for meeting the food grain demands of a growing population. However, maintaining full-capacity operations of fertilizer plants and ensuring uninterrupted availability of inputs remain key challenges for the industry. Additionally, the prevailing global economic climate continues to influence the operational dynamics of the Indian fertilizer sector.

About the Company

The Fertilisers and Chemicals Travancore Limited (FACT) was incorporated in 1943. In 1947, FACT started production of Ammonium Sulphate with an installed capacity of 10,000 MT per annum at Udyogamandal, near Cochin. In the year 1960, FACT became a Kerala State PSU and on 15th August, 1962, Government of India became the major shareholder.

From a modest beginning, FACT has grown and diversified into a multi-division/multi-function Organisation with basic interest in manufacture and marketing of Fertilisers and Petrochemicals, Engineering Consultancy and Design and Fabrication and Erection of Industrial Equipment.

Installed capacity of FACT plants are given below.

Product	Installed Capacity
a. Factamfos (NP 20:20)	633,500 MT per annum
b. Ammonium Sulphate	225,000 MT per annum
c. Caprolactam	50,000 MT per annum

FACT's mission is to be a significant player in Fertilisers, Petrochemicals and other businesses such as Engineering and Technology services.

FACT's objectives are:

a. To produce and market Fertilisers & Caprolactam and other products efficiently and economically, besides achieving a reasonable and consistent growth.

b. To effectively manage the assets and resources of the company to ensure a reasonable return on investment

c. To focus on cost reduction and technology upgradation in order to become competitive in business.

d. To constantly innovate and develop new products and services to satisfy customer requirements.

e. To invest in new business lines, where profit can be made on a sustainable basis.

f. To provide services to the farming community by organizing technical training, soil testing and other productivity improvement services in agriculture.

SWOT

Strengths

- FACT has established a strong and extensive marketing network across South India, supported by a robust distribution channel comprising more than 5,500 dealers, enabling efficient market penetration and timely availability of its products to the farming community.
- The Company's manufacturing facilities consistently demonstrate high operational efficiency and are capable of achieving capacity utilisation levels of approximately 120% to 130% of their installed capacity, reflecting operational excellence and effective asset utilisation.
- FACT possesses significant land resources, providing opportunities for value creation and the generation of additional revenue through strategic development and commercial utilisation.
- The commissioning of the Petronet LNG re-gasification and storage terminal at Kochi, coupled with FACT's connectivity to the GAIL natural gas pipeline network, ensures reliable access to re-gasified natural gas, thereby enhancing operational efficiency, energy security, and environmental sustainability.

Weakness

- A significant portion of the Company's fertilizer manufacturing facilities is of an older vintage, necessitating continuous maintenance, modernization, and technological upgradation to sustain operational efficiency and reliability.
- The Company's production facilities are geographically located away from certain major fertilizer-consuming regions, resulting in higher logistics and distribution costs.

- The Company remains substantially dependent on imported raw materials and key inputs, making its operations susceptible to fluctuations in global commodity prices, foreign exchange rates, and international supply chain disruptions.

Opportunities

- Substantial infrastructure facilities: FACT is having infrastructure facilities like dedicated berth for importing of raw materials and facilities for movement of fertilizer input through road and water ways in barges.
- Scope for expansion and diversification: FACT is having scope for expansion of its activities to other States.
- There exists considerable scope for product diversification through the manufacture and marketing of additional fertilizer grades and value-added products, catering to the evolving requirements of the agricultural sector.
- FACT's extensive marketing network, supported by a well-established dealer base of over 5,500 dealers across South India, provides a strong platform for expanding product reach, introducing new products, and enhancing market penetration.
- The Company's experienced technical workforce and proven expertise in plant operations, process engineering, and fertilizer manufacturing provide a strong foundation for operational excellence, technological advancement, and future business diversification.

Threats

- **Volatility in Raw Material Prices:** The Company remains significantly dependent on imported raw materials and fertilizer inputs, exposing its operations to fluctuations in international commodity prices.
- **Foreign Exchange Risk:** As a substantial portion of the Company's raw material requirements is met through imports, fluctuations in foreign exchange rates pose a significant financial risk by increasing procurement costs and affecting operating margins.
- **Intense Market Competition:** The fertilizer industry is highly competitive, with increasing competition from domestic and international players. Sustaining market share in a dynamic business environment remains a continuing challenge.
- **Changing Market and Climatic Conditions:** Evolving market dynamics, shifts in agricultural practices, fluctuations in fertilizer demand, and adverse weather conditions can significantly influence product demand and business performance.
- **Geopolitical and Supply Chain Risks:** Ongoing geopolitical uncertainties and disruptions in global supply chains may adversely affect the availability, pricing, and timely procurement of critical imported raw materials, thereby impacting production and operational continuity.

Operational Performance during 2025-26 - Segment wise / Product wise

a. Udyogamandal Complex:

Fertilizer Units:

The Udyogamandal Complex recorded a strong operational performance during FY 2025–26, driven by improved production efficiencies across its fertilizer operations. Production of key fertilizer products remained robust, with Factamfos (NP 20:20:0:13), including Zinc Fortified Factamfos, reaching 187,219 MT, representing 126.07% of the installed capacity and 98.54% of the Ministry target. Ammonium Sulphate production increased to 283,168 MT, achieving 125.85% of the installed capacity and 134% of the Ministry target, compared to 250,578 MT in the previous year.

Petrochemical Unit

The Petrochemical Unit did not undertake Caprolactam production during the year, as operations were not considered commercially viable under prevailing market conditions. However, the Company continued preservation and essential maintenance activities to ensure operational readiness of the plant and equipment. During the year, the Unit produced 228,437 MT of Ammonium Sulphate liquor through the Direct Neutralization process.

b. Cochin Division:

The Cochin Division maintained a strong operational performance during FY 2025–26, achieving production levels above its installed capacity while meeting its internal production targets. Nutrient production reached 128,634 MT each of Nitrogen and P_2O_5, representing 132.61% of the installed capacity and 100.50% of the internal target, compared with 100,668 MT in the previous year.

The Division also produced 251,050 MT of Sulphuric Acid and 54,740 MT of Phosphoric Acid, compared to 252,640 MT and 43,066 MT respectively, in FY 2024–25. While Sulphuric Acid production remained broadly in line with the previous year, Phosphoric Acid production registered a significant increase, supporting the Division's overall operational performance.

c. Marketing Division:

The Marketing Division recorded a strong performance during FY 2025–26, with total sales across all products increasing to 13.37 lakh MT from 11.63 lakh MT in the previous year. The growth was driven by focused marketing initiatives, expansion into new markets, strengthening of the dealer network and continuous engagement with the farming community.

Sales of NP fertilisers increased to 798,138 MT from 716,406 MT in FY 2024–25, representing an 11% increase over the previous year. Ammonium Sulphate achieved its highest-ever sales of 299,191 MT, compared to 266,683 MT in the previous year, reflecting a 12% growth.

During the year, the Division strengthened its market presence by supplying fertilisers to new markets, including Chhattisgarh and Uttar Pradesh, while expanding its product portfolio through the introduction and marketing of Imported DAP, Imported TSP and Traded SSP. FACT also continued to maintain a market share of over 30% in the sales of NPK 20:20:0:13 in South India, reinforcing its strong position across Kerala, Tamil Nadu, Karnataka, Andhra Pradesh and Telangana.

The Division recorded an all-time high sale of Organic Fertilisers, reaching 25,035 MT, including PM-PRANAM products such as FACT-FOM, FACT-PDM and FACT-PROM, reflecting the Company's continued emphasis on sustainable agricultural practices.

Going forward, the Marketing Division plans to establish new rake points wherever commercially feasible and further expand its dealer network in potential markets, including Odisha, Bihar, West Bengal, Uttar Pradesh, Madhya Pradesh and Maharashtra. The Division will continue to conduct farmer awareness programmes, field demonstrations and other extension activities to promote balanced fertilizer use and sustainable agricultural practices. The Division remains optimistic of achieving the targeted sales of 14.25 lakh MT of indigenous products, 1.50 lakh MT of imported products and 0.64 lakh MT of traded products for the ensuing financial year.

d. FACT Engineering and Design Organisation (FEDO):

Apart from executing internal projects for FACT, FEDO continued to expand its business by exploring emerging technological domains, particularly in the field of Green Hydrogen, while successfully undertaking major engineering and project management assignments for its external clients. During the year, FEDO achieved significant progress in accomplishing key milestones across the areas of design, engineering, procurement, inspection, project execution, and construction management.

FEDO actively participated in e-tenders and enquiries from leading organizations across diverse sectors, including oil & gas, fertilizers, chemicals, minerals, and metals. Its major clientele included HPCL, KMML, NGIL, OIL, KSPPL, and other reputed organizations. Through its continued focus on delivering quality engineering and project management consultancy (PMC) services, FEDO has strengthened its market presence and made steady progress towards sustaining and consolidating its position in the PMC business in India.

FEDO received new external orders for a value of ₹46.50 lakhs during the year and achieved a turnover of ₹31.24 lakhs as compared to ₹20.07 lakhs in the previous year.

e. FACT Engineering Works (FEW):

FEW bagged External orders worth ₹79.61 lakh compared to ₹177.14 lakh during the previous year. The total value of the internal orders for the year is ₹2,418.28 lakhs, reflecting a 129.0% increase compared to FY 2024-2025.

FEW has potential projects from several nearby industries. Leveraging its infrastructure, FEW takes up shop fabrication works and project-based contracts for these industries.

The operations of FEW comprise a balanced portfolio of both internal assignments for FACT and external projects for reputed organizations. During the year, FEW successfully catered to the requirements of major clients, including KMML, BPCL, and other entities in the marine sector, thereby strengthening its presence in the engineering and fabrication services segment.

Outlook for the future

During the first quarter of 2026-27, the production has been affected by non-availability of raw materials coupled with high cost of raw materials owing to West Asia crisis. The Company expects to continue the excellent production and marketing performance during the year 2026-27 once the West Asia crisis subsides. Company is also planning to increase fertilizer trading activities this year.

The financial restructuring package has been submitted to Govt. of India seeking approval for conversion of a part of Government of India loan into equity and write off of interest on Govt. of India loan and restructuring of balance Govt. of India loan. The Financial Restructuring proposal submitted by the Company is under the consideration of Department of Fertilisers. The Company expects an early implementation of the same.

The Company has submitted its request to Department of Fertilisers for granting ‘Mini Ratna’ Status and the proposal is also under consideration.

The Capex projects for the Company is progressing as per the plan. Setting up of 1650 TPD NP plant and implementation of the CAPEX could result in increase in fertilizer production of the Company from 10 lakh MT to 15 lakh MT and this, along with improved trading volumes of different grades of fertiliser products, can considerably increase the turnover and profit of the organization. Proposal of enhancing the production capacity of intermediates like Phosphoric Acid and Sulphuric Acid, increasing the storage capacity of shore tanks for Sulphuric Acid and Ammonia and setting up of a new Urea Plant for better CO2 utilization are also in the pipeline.

Risk and Concern

The fertilizer industry plays a critical role in supporting Indian agriculture and ensuring food security for the country's growing population. However, maintaining the continuous availability of fertilizers at affordable prices remains a significant challenge.

The Company's operations are exposed to various business risks, including volatility in international raw material prices, fluctuations in foreign exchange rates, supply chain disruptions, and geopolitical uncertainties. These factors can adversely affect the availability and cost of key inputs, thereby impacting operations, financial performance, and profit margins.

In addition, the evolving geopolitical environment continues to pose challenges to the fertilizer industry by disrupting global trade and supply chains. The Company also faces cyber security risks, including data breaches, unauthorized access to information systems, and loss of sensitive or confidential information, which could adversely affect its operations, financial position, and reputation.

Internal Control systems and their adequacy

FACT is having an Internal Control System, commensurate with the size, scale and complexity of its operations. The Internal Audit wing of FACT, headed by the Company Secretary monitors and evaluates the efficacy and adequacy of Internal Control System in the Company. The observations and recommendations of internal audit along with corrective action thereon are presented to the Audit Committee of the Board. Based on the recommendation of Internal Audit, the functional heads take necessary corrective action in their functional area, thereby strengthening internal control.

Performance of the Company

Financial performance

The Company has achieved turnover of ₹ 5723.76 Cr and reported net loss of ₹ 39.60 Cr

Particulars	2025-26
Net Sales	**5723.76**
Other Income	**176.32**
Total Revenue	**5900.08**
Total Expenses	**5939.99**
Profit before Exceptional Items and Tax	**(39.91)**
Exceptional Items	-
Earnings before Taxes	**(39.91)**

Particulars	2025-26
Interest	**249.73**
Depreciation	**35.70**
Deferred Tax	**(0.31)**
Profit for the year	**(39.60)**
Other comprehensive Income	**44.47**
Total Comprehensive Income	**4.87**

Operational performance

On the Production front, Factamfos production for the fiscal year 2025-26 was 8.30 lakh MT and Ammonium Sulphate was 2.8 lakh MT.

Material developments in Industrial Relations / Human Resources

1. Industrial Relations

During the financial year 2025-2026, a stable and congenial industrial relations climate sustained across all Divisions of the Company. Regular interactions were held between the Management and Trade Unions/Officer Associations on various matters. Importantly, operations remained unaffected, with no loss of productivity arising from Industrial Relation issues.

2. Human Resources Development

The Company values Human Resources as an important asset and recognizes its contribution in achieving high levels of production and sales during the year including achievement of many records in these areas. 22 employees joined the permanent rolls of the Company during the year. There were 1481 employees on permanent rolls as on 31.03.2026.

For enhancing employee's skills & knowledge to improve performance & meeting organisational requirements, employees are imparted training through the FACT Training & Development Centre. The new recruits were provided induction training, followed by on the job training in Divisions. The web based Learning Management System developed and implemented in-house, whereby intranet users, while in office, can access learning modules on various subjects, is also in place.

The Company has a well-structured and effective Employees Grievance Management System for redressing employee grievances, concerns and building a positive work environment. It provides an easily accessible machinery for settlement of grievances, for ensuring expeditious settlement of grievances of all the employees to inspire confidence of employees in the system leading to increased satisfaction in the job and resulting in improved productivity and efficiency of the organization. Besides ensuring a safe & healthy work environment, for employees, Compensation & benefits and Employee engagement activities are also given due importance to foster a sense of belonging and commitment among employees.

3. Health and Safety Initiatives for Human Resources

The Company places high priority on ensuring a safe and healthy work environment for all employees. Regular safety training programmes, mock drills, and awareness sessions were conducted to promote safe work practices. Periodic safety audits and inspections were carried out to ensure compliance with the statutory requirements, and to address potential hazards. Necessary personal protective equipment (PPE) was provided, and employees were trained in its proper usage. Continuous efforts are made to enhance workplace safety and employee well-being.

Occupational health services were strengthened through periodic medical examination and health check-ups. The Fit India Freedom Run, covering a distance of 5 km, was organized for employees at the Udyogamandal and Cochin Divisions, promoting physical fitness, active lifestyle, and overall well being as part of the Company's employee wellness initiatives.

The Company also ensures the provision of nutritious and balanced diet meals through its canteen facilities, contributing to the overall health and wellness of employees.

1. Development of Scheduled Castes/ and Scheduled Tribes (SC/ST).

Regular in house training programmes are being arranged to employees including SC/ST employees through FACT Training Centre.

Apprentices under the Apprentices Act, are engaged with due representation as per rules is provided. The representation for SC/ST in Apprentices as on 31.03.2026 is as follows:

Total No of Apprentices	GEN	OBC	SC	ST
101	16	74	10	01

10 SC and 1 ST Apprentices underwent training during 2025-26.

2. Steps taken for the welfare of SC/ST employees

The directives of the Government in recruitment and promotion of reserved categories are followed by the Company. SC/ST officers are nominated on the selection committees and their representation in other committees and forums is also promoted. Due consideration is given for allotment of residential quarters and also for nominations for training. Welfare benefits are extended to employees and their dependents by way of medical facilities, housing, social security measures etc. SC/ST Employees Associations are also functioning in the Company to empower and support employees belonging to these categories.

The representation of SC/ST in recruitments during the year 2025-26 is given below:

Recruitment 01.04.2025 – 31.03.2026	Numbers Recruited	SC	ST
Managerial cadre	13	01	00
Non managerial cadre	09	00	05
Grand Total	22	01	05

The employment of Reserved categories as on 31.03.2026 is given below:

No of Employees	Total	SC	ST
	1481	211	52
% of total Employees	-	14.25	3.51

SC/ST Grievance Cell

An SC/ST Grievance Cell is functioning in the Company comprising the Chairman, (who is also Chief Liaison Officer for matters pertaining to reservation of SC/ST, and their grievances in the Company), liaison officers of various Divisions and officers belonging to SC & ST. The grievances received are examined in detail by the Cell and appropriately redressed wherever possible.

Allotment of Residential Quarters

25% of the quarters are presently occupied by SC/ST Employees. Details of the quarters allotted to SC/ST employees are furnished below:

Total number of quarters occupied by the employees in the Townships	SC Employees	ST Employees
419	90	25

Reservation of Dealership

FACT is having 5796 dealers for distribution of fertilisers. FACT is encouraging SC/ST category dealers to apply for the dealership in accordance with policy of Department of Fertilizers, Government of India.

Total number of dealers and the representation of SC/ST in dealership as on 31.3.2026 is given below:

Sl.No.	State	Total Dealers	SC Dealers	ST Dealers
1	Kerala	1468	15	2
2	Tamil Nadu	1125	67	0
3	Karnataka	1789	46	42
4	Telangana	566	3	7
5	Andhra Pradesh	633	4	0
6	Maharashtra	105	2	0
7	Odisha	56	0	0
8	West Bengal	25	0	0
9	Bihar	25	0	0
10	Pondy & Other states	4	2	0
TOTAL		5796	138	51

Sexual Harassment of women at workplace

Sexual Harassment Complaint received during 2025-26	Disposed cases	Pending at the end of 2024-25
NIL	NIL	NIL

Key Financial Ratios

Key financial ratios of the Company for the financial year 2025-2026 and financial year 2024-2025 are given below:

Sl. No.	Particulars	2025-26	2024-25	Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year)
1	Debtors Turn Over Ratio	3.35	2.85	NA
2	Inventory Turn Over Ratio	5.22	3.87	Due to increase in turnover
3	Interest Coverage Ratio	0.84	1.22	Due to decrease in Earnings before interest and taxes
4	Current Ratio	0.93	1.02	NA
5	Return on Capital employed (%)	3.96	5.92	Due to decrease in Earnings before interest and taxes
6	Operating Profit Margin (%)	3.67	6.78	Due to increase in Turnover & decrease in operating profit
7	Net Profit Margin (%)	-0.69	1.02	Due to loss during the year
8	Debt Equity Ratio	3.42	3.36	NA

As on 31.03.2025 the Net worth was ₹1215.77 Crore. During the Financial year 2025-26, the Company reported a net loss of ₹ 39.60 Crore. After adjusting for payment of dividend and re-measurement of Direct Benefit Plan, the Net worth as on 31.03.2026 is ₹1168.06 Crore.

Disclosure of Accounting Treatment

The financial statement for the year ended March 31, 2026 are prepared in compliance with IND AS as prescribed under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016

Cautionary Statement

Statements in the Management Discussion and Analysis and in the Directors' Report, describing the Company's objectives, projections and estimates, contain words or phrases such as "will", "aim", "believe", "expect", "intend", "estimate", "plan", "objective", "contemplate", "project" and similar expressions or variations of such expressions, are "forward-looking" and progressive within the meaning of applicable laws and regulations. Actual results may vary materially from those expressed or implied by the forward-looking statements due to risks or uncertainties associated therewith depending upon economic conditions, government policies and other incidental factors. Readers are cautioned not to place undue reliance on these forward-looking statements.

(S. Sakthimani)
Chairman & Managing Director
DIN:07482308

Place: Udyogamandal
Date: 01-09-2026

G VENUGOPAL KAMATH & Co.
CHARTERED ACCOUNTANTS
273, 3rd Floor, D.D. Vastra Mahal, Market Road, P.B. No. 1110, Kochi - 682 011.
Phone / Fax : 0484-2355482, 2366483, 2370482, 4027381. E-mail : gvkandco@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the Members of The Fertilisers and Chemicals Travancore Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **The Fertilisers And Chemicals Travancore Limited** (hereinafter referred to as "the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows, the Statement of Changes in Equity for the year then ended and notes to the Financial Statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements"). These Financial Statements include financial schedules of five state offices of the Company audited by the other auditors of the Company whose reports have been furnished to us by the Management and our opinion in so far as it relates to the aforesaid state offices, is based solely on the reports of the other auditors.

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 specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its loss and total comprehensive income, its cash flows and changes in equity 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), as 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 (the "ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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.

Emphasis of Matter

1. We draw attention to Notes No.39 of the Financial Statements regarding discontinuation of interest in Joint Venture FACT-RCF Building Products Ltd (FRBL) and discontinuation of consolidation of financial statements of FRBL.

Our opinion is not modified in respect of the above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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:

Sl No	Key Audit Matter	Auditors' Response
1	**Accounting of subsidy income from Government of India under DBT Scheme:** Under Direct Benefit Transfer (DBT) scheme of Government of India (GoI), the Company is entitled to receive subsidy only upon sale of fertilizer by the dealer to the ultimate beneficiary through Point of Sale (PoS) devices. However, the Company continues to account subsidy as income at the time of sale to dealers as in the earlier scheme, considering the reasonable certainty that the sale will take place and subsidy will be received based on the industry practice and past experience. Refer Note No 27 to the Financial Statements	Our principal audit procedures included the following: • Analysed the scheme framed by the Department of Fertilizers (DoF) notified through Notification F. No. D(FA)/2016/ DBT dated March 17, 2017. • Reviewed the agreement with dealers. • Reviewed the calculation of subsidy income and assessed the reasonableness of recoverability of subsidy receivable. • Considered the ageing of the stock with the dealers for which sales not reported in the Integrated Fertiliser Management System and reviewed the approach adopted by the Company. • Verified compliance with Ind AS 20 on 'Accounting for Government Grants and Disclosure of Government Assistance'. • Verified that the method followed by the Company is appropriate. Refer Note No.27.1
2	**Property, Plant & Equipment:** Estimates of useful lives and residual value of Property, Plant and Equipment is a significant area requiring Management judgement of estimates and application of accounting policies that have significant effect on the amounts recognized in the Financial Statements.	• We examined whether the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment. • Reviewed the report of the committee that studied the Impairment of the assets. • Reviewed the capitalisation made during the year under audit. • Reviewed the valuation statement of the assets held for sale.

Sl No	Key Audit Matter	Auditors' Response
		• Reviewed the report on the physical verification of Property, Plant and Equipment carried out by the Management and comments of the branch auditors in their report regarding physical verification conducted at depots/ zonal offices. The deficiencies in the physical verification process are reported in clause (i)(b) of **Annexure A** to this report. • Reviewed the estimated useful life, residual value of assets and verified the depreciation workings. • The deficiencies in the reconciliation of land as per documents with the books of accounts and consequent effect on the verification of completeness and correctness of the land are reported in clause (i)(c)(iv) of **Annexure A** to this report.

Information Other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report including Directors' Report, Management Discussion and Analysis, Report on Corporate Governance, Business Responsibility and Sustainability Report but does not include the Financial Statements and our Auditors' 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 such 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.

The said other information is expected to be made available to us after the date of this audit report. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and shareholders.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements 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.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities 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 judgment 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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 maybe 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 regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Other Matters

1. We did not audit the financial statements of five state offices of the Company included in the Financial Statements of the Company, whose financial schedules reflect total revenue of ₹2,80,513.28 lakhs for the year ended March 31, 2026, as considered in the Financial Statements and total assets of the state offices amounting to ₹276.25 lakhs as at March 31, 2026. The Company has submitted certain financial schedules which have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these state offices and our report, in so far as it relates to the aforesaid state offices, is based solely on the reports of other auditors.
2. Our opinion on the Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters, with respect to our reliance on the work done and the reports of the other auditors and financial schedules certified by the Management, except on the limitation of scope reported by other auditors due to non-provision of the trial balance of the state offices audited by them and their inability to ensure the correctness of the financial schedules due to this.
3. The Company has a system of obtaining balance confirmations for trade receivables and trade payables. However, confirmations from only a limited number of parties have been received up to the date of the audit report. In respect of balances for which confirmations were not received, management represented that a substantial portion of trade receivables comprises subsidy receivable from the Government of India and trade payables are substantially supported by Letters of Credit issued by banks. We performed alternative audit procedures in respect of such balances and did not observe any material discrepancies.

Our opinion is not modified in respect of the above matters

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ('the Order'), issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the "**Annexure A**", a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable; ,

2. Based on verification of books of accounts of the company and according to information and explanations given to us, we give in "**Annexure B**" a report on the directions issued by The Comptroller and Auditor General of India in terms of sub-section (5) of Section 143 of the Companies Act, 2013.

3. The Company does not have the required number of Independent Directors on its Board due to vacancy arising out of end of term of the existing independent directors, from June 2019 onwards hence being non-compliant with relevant Regulations of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015. A penalty has been levied on the Company for this non-compliance. The Company did not have the required number of Women Independent Director on its Board during an intermittent period for the financial year.

4. As required by section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit except balance confirmations mentioned in para 3 of Other Matters paragraph and portions of internal audit report for the fourth quarter.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and returns generally adequate for the purpose of our audit have been received from the state offices not audited by us.

   c) The reports on the financial schedules of the five state offices of the Company audited under Section 143(8) of the Act by other auditors have been given to us and have been properly dealt with by us in preparing this report.

   d) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account and with the returns received from five state offices not audited by us, subject to the limitation of scope by other auditors.

   e) In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015.

   f) In view of exemption given vide notification no. G.S.R. 463(E) dated June 5, 2015, as amended vide notification no. G.S.R 582(E) dated June 13, 2017, issued by Ministry of Corporate Affairs, provisions of Section 164(2) of the Act regarding disqualification of directors, are not applicable to the Company.

   g) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to the Financial Statements and the operating effectiveness of such controls, refer to our separate report in "**Annexure C**".

h) Being a Government Company, the provisions of section 197 of the Act with respect to the matters to be included in the Auditors' Report is not applicable vide notification no. G.S.R. 463(E) dated June 5, 2015, as amended vide notification no. G.S.R 582(E) dated June 13, 2017, issued by Ministry of Corporate Affairs.

i) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements. (Refer Note No.51 of the Financial Statements).

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as at March 31, 2026.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year.

iv. (a) The Management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(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 has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv) (a) and (iv) (b) above, contain any material misstatement.

v. As stated in Note No. 16 to the Financial Statements,

a) The final dividend proposed in the previous year declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

b) The Board of Directors of the Company have not proposed any final dividend for the year 2025-26 till the date of audit report.

vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **G. Venugopal Kamath & Co.**
Chartered Accountants
Firm Regn No: 004674S

Sd/-
CA Vasanth V Kamath
Partner
Membership No: 230826
UDIN: 26230826PLTCVD6901

Place: Kochi
Date: 29-05-2026

Annexure A to the Independent Auditor's Report of even date to the members of The Fertilisers and Chemicals Travancore Limited on the Financial Statements for the year ended March 31, 2026

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **The Fertilisers And Chemicals Travancore Limited** ("the Company") on the Financial Statements as of and for the year ended March 31, 2026]:

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that

i. In respect of the Company's Property, Plant & Equipment and Intangible Assets:

a) A] The Company has maintained proper records showing full particulars, including quantitative details and situation of the Property, Plant & Equipment and relevant details of right of use assets.

B] The Company has maintained proper records showing full particulars of intangible assets.

b) Major portion of the Property, Plant & Equipment have been stated to be physically verified by the Management during the year and are not observed by us. As explained to us, no material discrepancies were noticed on such physical verification. However, we report that the physical verification procedure needs to be strengthened.

c) i] In our opinion and according to information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds/ registered sale deeds of immovable properties included in Property, Plant & Equipment, we report that, out of the 1499.73 acres of land held by the Company, we have been informed that the original title deeds of immovable properties of 768.34 acres of land are submitted to District Court, Ernakulam for pledging 80.50 acres of land as a security against claim of a contractor (Refer Note No.2.2 and Note No.51.1 to the Financial Statements), title deeds of 374.65 acres of land is submitted to a bank for pledging 36.08 acres as security against credit facilities sanctioned (confirmation received from bank for custody of title deeds for 361.66 acres only) (Refer Note No.2.6 to the Financial Statements). We have verified the original title deeds of freehold land having an aggregate area of 301.72 acres in the name of the Company.

ii] We have not verified the documents in respect of the remaining lands as the title deeds are not available for our verification/ confirmations are not received.

iii] Further, based on the information provided to us, title deeds in respect of the following freehold and leasehold immovable properties are not held in the name of the Company.

Description of the property	Gross carrying value	Held in the name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Extend of land (in acres)	Reasons for not being held in the name of the Company
Freehold land	Not available	Unascer-tained	No	Not ascer-tainable	*40.00	Title deeds are yet to be registered/ received due to dispute in compen-sation.
Lease hold land (Right of use asset)	Not available	Cochin Port Trust	No	From 2014	**15.02	The lease agree-ment not yet exe-cuted.

*As provided by the management (Refer Note No.2.3 to the Financial Statements)

**The lease deed executed by the Company has expired and no fresh deed is executed till date, though the Company continues to occupy the land and pay lease rentals (Refer Note No.2.2 and 2C to the Financial Statements)

iv] The Company has not reconciled the value of the land as per the financial statements with the cost of acquisition of the land as per the title deeds and the additional compensation paid for the acquisition of land. Hence, we could not verify the completeness and correctness of the amount disclosed in the financial statements with respect to these title deeds. However, the management confirms that the said non reconciliation will not affect the financial position and financial performance of the Company for the year ended March 31, 2026.

d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use asset) 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, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. a] The inventories have been physically verified by the Management during the year. In our opinion, the coverage and procedure of such verification is appropriate. No discrepancies in excess of 10% or more in the aggregate for each class of inventory were noticed.

b] The Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly statements filed by the Company with the bank are in agreement with the audited books of account of the Company of the respective quarter.

iii. During the year the company has not made investments in, not provided any guarantee or security nor granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships (LLP) or any other parties.

a] The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured/ unsecured, to companies, firms, LLPs' or any other parties during the year. Hence reporting under clause 3(iii)(a)(A) & (B) of the Order is not applicable.

b] The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured/ unsecured, to companies, firms, LLPs' or any other parties during the year. Hence reporting under clause 3(iii)(b) of the Order is not applicable.

c] The Company has not made any loans and advances in the nature of loans during the year and hence reporting under clause 3(iii)(c) of the Order is not applicable.

d] The Company has not made any loans and advances in the nature of loans during the year and hence reporting under clause 3(iii)(d) of the Order is not applicable.

e] The Company has not made any loans and advances in the nature of loans during the year and hence reporting under clause 3(iii)(e)of the Order is not applicable.

f] The Company has not made any loans and advances in the nature of loans during the year including any amounts of loans granted to promoters, related parties as defined in clause (76) of section 2 of the Act and hence reporting under clause 3(iii)(f) of the Order is not applicable.

iv. The Company has not made any loans, investments, guarantees, and security to the parties covered under section 185 & 186 of the Act during the year. Accordingly, reporting under clause 3(iv) of the Order is not applicable.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and rules made thereunder. Hence, reporting under clause 3(v) of the Order is not applicable. However, we report that advances from customers include an amount of ₹665.16 lakhs outstanding for more than 365 days as at the balance sheet date. As represented by the Management, goods/services against such advances could not be provided due to non-placement of orders, disputes and other related reasons. Further, according to the information and explanations given to us, no order has been passed by the Company Law Board, National Company Law Tribunal, Reserve Bank of India or any court or other tribunal in this regard.

vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under section 148(1) of the Act and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.

vii. In respect of statutory dues:

a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities during the year. As per the information and explanations given to us and based on our verification of documents produced before us, there were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2026 for a period of more than six months from the date they became payable except the following:

Sl No	Name of the statute	Nature of dues	Amount (Rs in Lakhs)*	Period to which amount relates
1	Income Tax Act, 1961	Income Tax and interest due thereon	158.11	1995-96 to 1998-99
2	Income Tax Act, 1961	Income Tax and interest due thereon	13.26	1997-98
3	Income Tax Act, 1961	Income Tax and interest due thereon	79.03	1995-96

* These are the amounts outstanding in the books as per the information given to us by the Company.

b) The details of statutory dues above in clause vii(a) which have not been deposited as at March 31, 2026, on account of disputes are given below:

Name of the statute	Nature of dues	Demand–net of payment (Rs in lakhs)	Period to which dispute relates	Forum where dispute pending
Customs Act, 1962	Customs duty and interest due thereon	36.77	1990-92	Rectification application filed by the Department before CESTAT
Kerala Value Added Tax Act, 2003	Kerala Value Added Tax	102.07	2006-07	Special leave petition before Supreme Court by Commercial taxes Department, Govt. of Kerala

Name of the statute	Nature of dues	Demand–net of payment (Rs in lakhs)	Period to which dispute relates	Forum where dispute pending
Central Excise Act, 1944	Excise duty, interest, and penalty against utilization of CENVAT credit against duty payable.	4,940.37	2010-11 to 2013-14	Customs, Excise and Service Tax Appellate Tribunal, Bengaluru
Central Excise Act, 1944	Excise duty, interest, and penalty on shortage of raw material written off.	116.02	2003-04	High Court of Kerala
Finance Act, 1994	Service tax and interest thereon on training fee.	16.61	2012-13	Customs, Excise and Service Tax Appellate Tribunal, Bengaluru
Finance Act, 1994	Demand of Service tax, interest and penalty on fabrication work of bulk storage tanks.	14.93	2009-10 & 2010-11	Customs, Excise and Service Tax Appellate Tribunal, Bengaluru
Madhya Pradesh Entry Tax	Entry Tax	3.67	1980-84	Board of Revenue (Commercial Tax Tribunal) Gwalior
Sales Tax Act, Punjab	Sales Tax	99.72	1999-00 and 2000-01	Deputy Excise and Taxation Commissioner (Appeals) Patiala
Sales Tax Act, Orissa	Sales Tax	63.00	1985-1992	Sales Tax Tribunal, Orissa, Cuttack
Kerala Value Added Tax Act, 2003	Penalty u/s 47(6) of the Kerala Value Added Tax, Act, 2003	7.68	2011-12	Kerala Value added Tax Appellate Tribunal, Ernakulam
Income Tax Act, 1961	Tax demand due to disallowance	1.32	2005-06	Commissioner of Income Tax (Appeals), Kochi
Income Tax Act, 1961	Interest on Income Tax	2.94	2001-02	Commissioner of Income Tax (Appeals), Kochi

Name of the statute	Nature of dues	Demand–net of payment (Rs in lakhs)	Period to which dispute relates	Forum where dispute pending
Income Tax Act, 1961	Tax demand due to disallowance	410.48	2023-24	Joint Commissioner / Commissioner of Income Tax (Appeals) (NFAC)
Goods and Services Tax Act, 2017	Input tax credit under GST	89.42	2017-18	Appeal filed before Appellate Joint Commissioner (ST), Secunderabad Division
Goods and Services Tax Act, 2017	Transitional input tax credit under GST	140.13	2017-18	Appeal filed before Commissioner of Central Tax & Customs (Appeals), Guntur
Goods and Services Tax Act, 2017	Input tax credit under GST	53.91	2019-20	Appeal filed before Additional Commissioner of Central Taxes, Mysore
Goods and Services Tax Act, 2017	Input tax credit under GST	83.13	2019-20	Appeal filed before Joint Commissioner (Appeals) Central Tax & Central Excise, Ernakulam
Goods and Services Tax Act, 2017	Input tax credit under GST	102.76	2020-21	Appeal filed before The Joint Commissioner (Appeals), Central Tax and Central Excise, Ernakulam
Goods and Services Tax Act, 2017	Input tax credit under GST	8.93	2018-19	Appeal filed before Commissioner (Appeals-1), GST & Central Excise, Coimbatore
Employees' State Insurance Act, 1948	Employer contribution ESI	0.16	1993 to 2002	Insurance court, Alappuzha

Name of the statute	Nature of dues	Demand–net of payment (Rs in lakhs)	Period to which dispute relates	Forum where dispute pending
Employees' State Insurance Act, 1948	Employer contribution ESI	94.00	1984 to 1987	ESI Insurance Court
Employees' Provident Fund and Miscellaneous Provisions Act, 1952	Employer Provident Fund contribution	2.10	-	Assistant PF Commissioner, Kochi

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. a] The Company has defaulted in repayment of loans or borrowings to Government of India.

Nature of borrowing, including debt securities	Name of the lender	Amount not paid on due date (in lakhs)	Whether principal or interest	No. of days delay or unpaid	Remarks, if any
Loan	Government of India	₹1,77,048.75*	Principal	1464	Refer Note No. 21.3 to the Financial Statements
Loan	Government of India	₹2,15,114.23	Interest	1464	

b] The Company has not been declared willful defaulter by any bank or financial institutions or government or any government authority.

c] The Company has not obtained any term loan during the year. However, we are informed that the term loan taken on March 29th, 2016 from Government of India has been utilized for the purpose for which it was disbursed.

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, associates or joint ventures.

f] The company has not raised any loans during the year on the pledge of securities held in its subsidiaries, associates or joint ventures.

x. a] The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

b] During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi. a] Based upon the audit procedures performed and according to the information and explanations given to us, we report that no fraud by the Company or on the Company has been noticed or reported during the year

b] No report under Section 143(12) of the Act has been filed by us in Form ADT-4, as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014, during the year and up to the date of this audit report.

c] The Company has confirmed that no whistle blower complaints have been received during the year.

xii. The Company is not a Nidhi Company and hence reporting under of clause 3(xii)(a),(b),(c) of the Order is not applicable to the Company and hence not commented upon.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with related parties and the details of the related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.

xiv. a] In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.

b] We have considered the furnished internal audit reports of the audits conducted 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. The portions of internal audit report for the fourth quarter which have not been received are not considered.

xv. In our opinion, during the year, Company has not entered into any non-cash transactions with its Directors or persons connected with its directors, and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

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.

b] In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

c] In our opinion, the Company is not a core investment company as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 and accordingly reporting under clause 3(xvi)(c) of the Order is not applicable.

d] 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 realisation of financial assets and payments of financial liabilities, and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date except the Government of India loan including accrued interest of ₹ 3,92,162.98 lakhs which has fallen due as on March 31, 2022 for which the Company has submitted a restructuring plan which is pending approval. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. a] There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act.

b] In our opinion and according to the information and explanations given to us, with respect to "ongoing projects", there are no unspent amounts that are required to be transferred to a special account, within a period of thirty days from the end of the financial year in compliance with section 135(6) of the said Act. However, in respect of certain CSR projects, the classification as "ongoing projects" under section 135 of the Companies Act, 2013 is based on management's assessment and supporting documentation made available to us.

xxi. The reporting under this clause is not applicable in respect of audit of financial statements. Refer Note. 47B to the Financial Statements.

For **G. Venugopal Kamath & Co.**
Chartered Accountants
Firm Regn No: 004674S

Sd/-
CA Vasanth V Kamath
Partner
Membership No: 230826
UDIN: 26230826PLTCVD6901

Place: Kochi
Date: 29-05-2026

Annexure B to the Independent Auditors' Report of even date to the members of The Fertilisers and Chemicals Travancore Limited on the Financial Statements for the year ended March 31, 2026

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Sl No	C & AG Directions	Observations/findings
1	Assess the fair valuation of all the investments, both quoted and unquoted, made directly by the Company or through Trusts, for Post retirement benefits of the employees. This includes verifying valuation methodologies, ensuring consistency with Ind AS and reviewing supporting documentation. The auditor shall provide a brief note on the valuation approach, its reasonability, and compliance with applicable regulations, reporting any material deviations or misstatements.	The Company has trusts to manage Provident Fund benefits of the employees. The above trusts have invested its funds with central, state and local body bonds and securities, short term debt instruments, deposit with banks, equity shares and units of equity and debt oriented mutual funds. As per the information and explanations received from the Management, quoted financial instruments are valued at market price, unquoted financial instruments and bank deposits are valued at investment cost. The valuation approach and valuation methodologies applied by the company for these investments are appropriate and reasonable and no material deviations were observed. The Company has made arrangement with Life Insurance Corporation of India (LIC) to manage its Gratuity benefits. However, the detailed actuarial data and valuation workings supporting the amount determined by LIC were not available for examination. As per the information and explanations received from the Management, the Company has not made any investment directly or through trust to meet the Post retirement sick leave benefits. We are informed that, other than the above-mentioned funds, no direct investments by the company or through trusts are made with respect to the Post retirement benefits.

2	Whether the Company has a system in place to process all the accounting transactions through IT system? If yes, whether review of this system and controls that are significant to the Companies' financial reporting process as well as cyber security has been done by Information Security Auditing Organisations empanelled by Cert-In at a minimum frequency of once in a year and material discrepancies found, if any, have been suitably reported? The implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications may also be reported.	Company has implemented SAP ERP system in order to make information processing fully integrated and centralised. It enables integrated processing of most of the accounting transactions. However, certain accounting transactions relating to the subsidy income, valuation of inventory and certain year end provisions are processed directly in the financial module. Such transactions and balances are adequately supported by relevant documents maintained/ calculations maintained in excel workbooks. The integrity of the accounts is taken care of and no financial implications is envisaged. The review of systems and controls significant to the Company's financial reporting process and cyber security was carried out by a CERT-In empanelled Information Security Auditing Organisation in May 2026. No material discrepancies were reported in such review. However, such review was not conducted during the financial year 2025-26.
3	Whether funds (grants/ subsidy etc.) received/ receivable for specific schemes from Central/State Government or its agencies were properly accounted for as per the applicable accounting standards or norms and whether the received funds were utilised as per its terms and conditions? Whether accounting of interest earned on grants received has been done as per terms and conditions of the Grant. List the cases of deviation.	As per the information and explanations furnished to us, the funds received / receivable by the company for specific schemes from Central/State agencies to the extent these are recorded in the books of accounts and records produced before us, were properly accounted as per Ind AS 20 and utilized as per the terms and conditions of the scheme. We are informed that accounting of interest earned on grants received is not applicable to the Company.

4	Whether the Company has identified the key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate these risks? If yes, (a) whether the Risk Management Policy has been formulated considering global best practices? (b) whether the Company has identified its data assets and whether it has been valued appropriately?	The company has identified the key risk areas and has formulated a risk management policy to mitigate these risks. As informed by management, the policy has not been specifically benchmarked against any global framework; however, it incorporates principles considered appropriate to the company's operations and risk profile. The company has not identified any data assets and consequently these have not been subject to valuation.
5	Whether the Company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable? If not, the cases of deviation may be highlighted.	Based on the information and explanations given to us and audit procedures carried out by us, the company in general is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable, except as mentioned below:- a) Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Ministry of Corporate Affairs – Refer Note No: 3 of Report on Other Legal and Regulatory requirements para and para v of Annexure A of our Independent Auditors' Report b) Department of Investment and Public Asset Management (DIPAM) – As on the date of this report, the Board of Directors have not recommended the final dividend for the financial year ended 31st March 2026. Accordingly, compliance with DIPAM dividend guidelines can be assessed only upon completion of the dividend declaration process. c) CERT-IN - Refer Para 3 of Observation No: 2 above.

For **G. Venugopal Kamath & Co.**
Chartered Accountants
Firm Regn No: 004674S

Sd/-
CA Vasanth V Kamath
Partner
Membership No: 230826
UDIN: 26230826PLTCVD6901

Place: Kochi
Date: 29-05-2026

Annexure C to the Independent Auditors' Report of even date to the members of The Fertilisers and Chemicals Travancore Limited on the Financial Statements for the year ended March 31, 2026

[Referred to in paragraph 4(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

Independent Auditors' Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls of **The Fertilisers And Chemicals Travancore Limited** ('the Company') as of March 31, 2026 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting" criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "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 the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

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 and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the 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 an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditors' judgment, 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 system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at March 31, 2026, based on the criteria for internal financial control established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **G. Venugopal Kamath & Co.**
Chartered Accountants
Firm Regn No: 004674S

Sd/-
CA Vasanth V Kamath
Partner
Membership No: 230826
UDIN: 26230826PLTCVD6901

Place: Kochi
Date: 29-05-2026

Office of the Principal Director of Audit, Central Expenditure
(Agriculture, Food & Water Resources),
8th & 9th Floor, CAG Annexe Building, 10 Bahadur Shah Zafar Marg, New Delhi -110002

CONFIDENTIAL

NO. 1428 – P.D.A.C.A (A.F.W.R)/AMG-I/A/cs/FACT/2026-27/2531

Date : 31.07.2026

To,

Chairman & Managing Director
The Fertilisers and Chemicals Travancore Limited
Eloor, Udyogamandal, Ernakulam District
Kochi, Kerala – 683 501

SUB: Comments of the Comptroller and Auditor General of India on the financial statements of The Fertilisers and Chemicals Travancore Limited for the year ended 31 March 2026, under Section 143 (6) (b) of the Companies Act, 2013.

Sir,

Please find enclosed comments on the financial accounts of **The Fertilisers and Chemicals Travancore Limited** for the year ended 31 March 2026, under the Section 143 (6) (b) of the Companies Act, 2013.

Please send an acknowledgement for this letter.

Sincerely,
Sd/-
Tanya Singh
Principal Director of Audit, Central Expenditure
(Agriculture, Food & Water Resources)

Encl: As above

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED FOR THE YEAR ENDED 31 MARCH 2026

The preparation of financial statements of **The Fertilisers and Chemicals Travancore Limited** for the year ended 31 March 2026 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the Company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their **Audit Report dated 29th May 2026.**

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **The Fertilisers and Chemicals Travancore Limited** for the year ended 31 March 2026 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report:

A. Comments on Disclosure

Note 49: Employee Benefits

The Trust managed PF at Udyogamandal and Cochin had plan assets valued at ₹ 360.23 crore and Present value of obligation of ₹ 354.80 crore as on 31 March 2026. Although it has been reflected in the accounts as a defined benefit plan, the Company has not given the disclosure as required under Para 139(b), 144, 145(a) & (b), 146 and 147 of Ind AS 19. Further, the details of non-current and current portions of Present value of Obligation have not been disclosed by the company.

For and on the behalf of the
Comptroller & Auditor General of India

Place: New Delhi
Date: 31.07.2026

Sd/-
(Tanya Singh)
Principal Director of Audit, Central Expenditure,
(Agriculture, Food & Water Resources)

REPLIES TO THE COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED FOR THE YEAR ENDED 31 MARCH 2026

Comment of C&AG	Management Reply
A. Comments on Disclosure **Note 49: Employee Benefits** The Trust managed PF at Udyogamandal and Cochin had plan assets valued at ₹360.23 crore and Present value of obligation of ₹354.80 crore as on 31 March 2026. Although it has been reflected in the accounts as a defined benefit plan, the Company has not given the disclosure as required under Para 139(b), 144, 145(a) & (b), 146 and 147 of Ind AS 19. Further, the details of non-current and current portions of Present value of Obligation have not been disclosed by the company.	Audit comment on disclosure is noted. The Provident Fund Trust is recognised as a defined benefit plan in accordance with Ind AS 19. As at 31 March 2026, the fair value of the plan assets exceeds the present value of the defined benefit obligation and, accordingly, no net defined benefit liability is recognised during the financial year. Hence, the audit observation is limited to the extent of disclosures under Ind AS 19 and has no impact on the financial results or the financial position of the Company.

Mock Drill

Tribute to Shri MKK Nair on the Occasion of his Birth Anniversary

Dr. K. Jayachandran, then Director (Technical), inaugurating the New Multipurpose Fire Tender

Balance Sheet as at 31st March 2026

₹ In Lakh

Sl. No.	Particulars	Note No.	As at 31st March 2026	As at 31st March 2025	As at the beginning of 1st April 2024
I	**ASSETS**				
(1)	**NON CURRENT ASSETS**				
(a)	Property, Plant and Equipment	2	91,968.91	91,988.35	79,424.61
(b)	Capital Work in Progress	2A	29,351.91	21,626.40	22,357.00
(c)	Investment Property	2B	5.77	5.77	5.77
(d)	Right-of-Use Assets	2C	2,939.30	3,086.22	3,255.25
(e)	Other Intangible Assets	2D	12.54	16.04	27.43
(f)	Financial Assets				
	(i) Investments				
	- Investments in Joint Venture	3A	-	-	-
	- Other Investments	3B	18,542.13	15,807.29	13,036.93
	(ii) Other Financial Assets	4	22,089.77	1,650.97	1,187.05
(g)	Deferred Tax Assets (net)	5	7,422.74	7,391.55	8,642.41
(h)	Other Non Current Assets	6	2,445.74	2,631.51	3,246.46
			1,74,778.81	1,44,204.10	1,31,182.91
(2)	**CURRENT ASSETS**				
(a)	Inventories	7	1,23,720.52	94,502.33	1,14,369.95
(b)	Financial Assets				
	(i) Trade Receivables	8	35,219.69	28,347.61	15,813.73
	(ii) Cash and Cash Equivalents	9	16,892.67	21,833.67	43,566.83
	(iii) Other Bank Balances	10	1,50,176.76	2,55,902.95	2,24,365.46
	(iv) Other Financial Assets	11	63,228.15	25,254.28	24,287.85
(c)	Current Tax Assets (net)	12	187.14	128.68	160.54
(d)	Other Current Assets	13	28,435.47	23,900.29	21,924.48
			4,17,860.40	4,49,869.81	4,44,488.84
(3)	**Non-Current Assets held for Disposal**	14	4,065.02	4,065.02	4,065.02
	TOTAL ASSETS		**5,96,704.23**	**5,98,138.93**	**5,79,736.77**
II	**EQUITY AND LIABILITIES**				
(A)	**EQUITY**				
(a)	Equity Share Capital	15	64,707.20	64,707.20	64,707.20
(b)	Other Equity	16	70,325.32	72,362.48	71,077.30
			1,35,032.52	1,37,069.68	1,35,784.50

Balance Sheet as at 31st March 2026

₹ In Lakh

Sl. No.	Particulars	Note No.	As at 31st March 2026	As at 31st March 2025	As at the beginning of 1st April 2024
(B)	**LIABILITIES**				
(1)	**NON CURRENT LIABILITIES**				
(a)	Financial Liabilities				
	(i) Lease Liabilities	17	3,078.13	3,117.06	3,162.60
	(ii) Other Financial Liabilities	18	26.29	27.88	29.36
(b)	Provisions	19	8,785.87	14,501.45	16,217.03
(c)	Other Non Current Liabilities	20	700.08	843.04	974.80
			12,590.37	18,489.43	20,383.79
(2)	**CURRENT LIABILITIES**				
(a)	Financial Liabilities				
	(i) Borrowings	21	3,95,163.74	3,68,261.40	3,44,895.29
	(ii) Lease Liabilities	22	303.22	297.51	301.03
	(iii) Trade Payables	23			
	Dues to Micro and Small Enterprises		532.79	438.76	1,025.21
	Dues to Others		23,593.79	46,268.03	47,359.79
	(iv) Other Financial Liabilities	24	18,993.64	18,795.78	20,692.95
(b)	Other Current Liabilities	25	6,931.23	6,065.13	6,840.59
(c)	Provisions	26	3,562.93	2,453.21	2,453.62
			4,49,081.34	4,42,579.82	4,23,568.48
	TOTAL EQUITY AND LIABILITIES		**5,96,704.23**	**5,98,138.93**	**5,79,736.77**
	Statement of Material Accounting Policies	1			
	Notes forming part of Financial Statements	2-61			

As per our report of even date attached
For **G Venugopal Kamath & Co.**
Chartered Accountants
Firm Regn No: 004674S

Sd/-
CA Vasanth V Kamath
Partner
Membership No. 230826

Place: Kochi
Date: 29-05-2026

For and on behalf of the Board of Directors

Sd/-
Pradeep Kumar C
Chief Financial Officer

Sd/-
S Sakthimani
Director (Finance) and Chairman & Managing Director
DIN 07482308

Sd/-
Susan Abraham
Company Secretary

Statement of Profit and Loss for the Year ended 31st March 2026

₹ In Lakh

Sl. No.	Particulars	Note No.	Year ended 31st March 2026	Year ended 31st March 2025
I	Revenue from Operations	27	5,72,376.14	4,05,090.99
II	Other Income	28	17,631.84	21,644.62
III	**Total Income (I+II)**		**5,90,007.98**	**4,26,735.61**
IV	**Expenses**			
	Cost of Materials Consumed	29	3,44,243.44	2,25,959.10
	Purchases of Stock in Trade	30	1,19,226.79	47,752.78
	Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	31	(17,994.29)	13,662.61
	Employee Benefits Expense	32	29,937.19	27,467.62
	Finance Costs	33	24,972.83	24,554.32
	Depreciation and Amortization Expense	34	3,569.64	3,661.81
	Other Expenses	35	90,043.59	80,764.76
	Total Expenses (IV)		**5,93,999.19**	**4,23,823.00**
V	**Profit / (Loss) before exceptional items and tax (III - IV)**		**(3,991.21)**	**2,912.61**
VI	Exceptional Items (Income /(Expenses))	36	-	**2,461.45**
VII	**Profit / (Loss) before Tax (V+VI)**		**(3,991.21)**	**5,374.06**
VIII	Tax Expenses			
	Current Tax		-	-
	Deferred Tax	5.3	(31.19)	1,250.86
IX	**Profit / (Loss) for the Year after Tax (VII-VIII)**		**(3,960.02)**	**4,123.20**
X	Other Comprehensive Income			
	(i) Items that will not be reclassified to Profit or loss			
	(a) Equity instruments through Other Comprehensive Income-net change in fair value		2,734.85	2,770.35
	(b) Remeasurement of defined benefit plan	16	1,712.53	669.17
	Other Comprehensive Income for the year (X)		**4,447.38**	**3,439.52**
XI	**Total Comprehensive Income for the year (IX+X)**		**487.36**	**7,562.72**
XII	**Earnings per Equity Share**			
	Basic/Diluted Earnings per Equity Share (₹)	37	(0.61)	0.64
	Statement of Material Accounting Policies	1		
	Notes forming part of Financial Statements	2 - 61		

As per our report of even date attached
For **G Venugopal Kamath & Co.**
Chartered Accountants
Firm Regn No: 004674S

Sd/-
CA Vasanth V Kamath
Partner
Membership No. 230826

Place: Kochi
Date: 29-05-2026

For and on behalf of the Board of Directors

Sd/-
Pradeep Kumar C
Chief Financial Officer

Sd/-
S Sakthimani
Director (Finance) and Chairman & Managing Director
DIN 07482308

Sd/-
Susan Abraham
Company Secretary

Statement of Cash Flows for the Year ended 31st March 2026

₹ In Lakh

Sl No.	Particulars	Year ended 31st March 2026		Year ended 31st March 2025	
A	**Cash Flow From Operating Activities**				
	Net Profit/(Loss) before Tax		(3,991.21)		5,374.06
	Adjustments for:				
	Depreciation/Impairment Loss on Property, Plant & Equipment and Intangible Assets	3,569.64		3,661.81	
	Exceptional Items -(Income)/Expense	-		(2,461.45)	
	(Profit) / Loss on Sale of Property, Plant and Equipment	(42.12)		(43.70)	
	Interest Income	(16,286.40)		(20,042.06)	
	Dividend Income	(145.22)		(48.60)	
	Interest and Finance Charges	24,972.83		24,554.32	
	Rental Income from Investment Property	(124.70)		(124.72)	
	Provision for Doubtful Trade Receivables	83.06		50.53	
	Provision for Bad / Doubtful Advances	1.95		3.76	
	Excess Provision written back	(59.75)		(5.09)	
	Provision for Obsolescence	(436.55)		163.11	
	Amortisation of Deferred Government Grants	(0.94)		(0.94)	
	Change in Provision	(2,920.15)		(1,071.65)	
	Unrealised Foreign Exchange (Gain) /Loss	176.54		312.71	
	Adjustment for Non Cash Items	(1.59)	8,786.60	(1.48)	4,946.55
	Operating Profit before Working Capital Changes		**4,795.39**		**10,320.61**
	Adjustment for :				
	Inventories	(28,781.64)		19,704.51	
	Trade Receivables	(6,955.14)		(12,584.41)	
	Other Current Assets	(4,477.38)		(1,974.48)	
	Other Financial Assets	(42,314.11)		747.53	
	Trade Payables	(22,756.75)		470.53	
	Other Liabilities	978.24	(1,04,306.78)	(2,743.49)	3,620.19
	Cash Generated from/(Used in) Operations		**(99,511.39)**		**13,940.80**
	(Direct Tax Paid)/ Refund received - Net		(58.46)		31.86
	Net Cash Generated from/(Used in) Operating Activities		**(99,569.85)**		**13,972.66**
B	**Cash Flow from Investing Activities**				
	Additions to Property, Plant & Equipment/ CWIP/ Intangible Assets	(11,124.57)		(15,334.10)	
	Proceeds from the Sale of Property, Plant & Equipment	57.70		63.28	
	Rental Income from Investment Property	55.00		55.00	
	(Investment in) /Withdrawal of Bank deposits	85,294.99		(31,847.30)	
	Interest Received	20,619.04		18,173.99	
	Dividend Received	145.22		48.60	
	Capital Advances Recovered/(Paid) - Net	185.77	95,233.15	614.95	(28,225.58)
	Net Cash Generated from/(Used in) Investing Activities		**95,233.15**		**(28,225.58)**

Sl No.	Particulars	Year ended 31st March 2026		Year ended 31st March 2025	
C	**Cash Flow from Financing Activities**				
	Net Proceeds /(Repayment) of Working capital facilities and short term loans	3,000.76		(510.00)	
	Dividend Paid (net of unclaimed)	(2,511.11)		(6,267.80)	
	Repayment of Lease Liabilities	(315.06)		(316.96)	
	Interest Paid	(778.89)	(604.30)	(385.48)	(7,480.24)
	Net Cash Generated from/(Used in) Financing Activities		**(604.30)**		**(7,480.24)**
	Net (Decrease)/Increase in Cash and Cash Equivalents (A+B+C)		**(4,941.00)**		**(21,733.16)**
	Cash and Cash Equivalents as at 1st April (Opening Balance)		**21,833.67**		**43,566.83**
	Cash and Cash Equivalents as at 31st March (Closing Balance)		**16,892.67**		**21,833.67**
	Closing Cash and Cash Equivalents				
	Represented By :				
	Cash on hand		2.07		1.67
	Balances with banks		4,414.13		1,507.17
	Deposit with Bank (less than 3 month maturity)		12,474.88		20,300.58
	Interest accrued on above		1.59		24.25
	Total		**16,892.67**		**21,833.67**

Refer Note no. 35.5 for amount spent towards CSR Activities during the years ended 31st March 2026 and 2025.

As per our report of even date attached
For **G Venugopal Kamath & Co.**
Chartered Accountants
Firm Regn No: 004674S

Sd/-
CA Vasanth V Kamath
Partner
Membership No. 230826

Place: Kochi
Date: 29-05-2026

For and on behalf of the Board of Directors

Sd/-
Pradeep Kumar C
Chief Financial Officer

Sd/-
S Sakthimani
Director (Finance) and Chairman & Managing Director
DIN 07482308

Sd/-
Susan Abraham
Company Secretary

Statement of Changes in Equity for the Year ended 31st March 2026

A. Equity Share Capital
(1) 2025-26

₹ In Lakh

Particulars	Balance as at 1st April 2025	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1st April 2025	Changes in equity share capital during the year 2025-26	Balance as at 31st March 2026
Equity shares of ₹ 10 each	64,707.20	Nil	64,707.20	Nil	64,707.20

(2) 2024-25

Particulars	Balance as at 1st April 2024	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1st April 2024	Changes in equity share capital during the year 2024-25	Balance as at 31st March 2025
Equity shares of ₹10 each	64,707.20	Nil	64,707.20	Nil	64,707.20

B. Other Equity
(1) 2025-26

₹ In Lakh

Particulars	Reserves and Surplus				Equity Instruments through Other Comprehensive Income	Total
	Capital Reserve	Other Reserve **	Remeasurement of defined benefit plans	Retained Earnings		
Balance as at 1st April 2025	2.64	48.91	(2,545.79)	59,415.99	15,440.73	**72,362.48**
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance as at the beginning of the current reporting period	2.64	48.91	(2,545.79)	59,415.99	15,440.73	**72,362.48**
Total Comprehensive Income for the current year	-	(0.94)	1,712.53	(3,960.02)	2,734.85	**486.42**
Dividend	-	-	-	(2,523.58)	-	**(2,523.58)**
Transfer to retained earnings	-	-	-	-	-	-
Any other change	-	-	-	-	-	-
Balance as at 31st March 2026	**2.64**	**47.97**	**(833.26)**	**52,932.39**	**18,175.58**	**70,325.32**

***Fund received towards Indo EEC Fertiliser Education Project*

(2) 2024-25

₹ In Lakh

Particulars	Reserves and Surplus				Equity Instruments through Other Comprehensive Income	Total
	Capital Reserve	Other Reserve **	Remeasurement of defined benefit plans	Retained Earnings		
Balance as at 1st April 2024	2.64	49.85	(3,214.96)	61,569.39	12,670.38	**71,077.30**
Changes in accounting policy or prior period errors	-	-	-	-	-	**-**
Restated balance as at the beginning of the current reporting period	2.64	49.85	(3,214.96)	61,569.39	12,670.38	**71,077.30**
Total Comprehensive Income for the current year	-	(0.94)	669.17	4,123.20	2,770.35	**7,561.78**
Dividend	-	-	-	(6,276.60)	-	**(6,276.60)**
Transfer to retained earnings	-	-	-	-	-	**-**
Any other change	-	-	-	-	-	**-**
Balance as at 31st March 2025	**2.64**	**48.91**	**(2,545.79)**	**59,415.99**	**15,440.73**	**72,362.48**

***Fund received towards Indo EEC Fertiliser Education Project*

As per our report of even date attached
For **G Venugopal Kamath & Co.**
Chartered Accountants
Firm Regn No: 004674S

Sd/-
CA Vasanth V Kamath
Partner
Membership No. 230826

Place: Kochi
Date: 29-05-2026

For and on behalf of the Board of Directors

Sd/-
Pradeep Kumar C
Chief Financial Officer

Sd/-
S Sakthimani
Director (Finance) and Chairman & Managing Director
DIN 07482308

Sd/-
Susan Abraham
Company Secretary

Note No. 1.

Statement of Material Accounting Policies forming part of Financial Statements for the Year ended 31st March 2026

1.1. Corporate Information

The Company is a Public Limited Company domiciled in India and is incorporated under provisions of the Companies Act applicable in India. The registered office of the Company is located at Eloor, Udyogamandal, Ernakulam 683501, Kerala. The shares of the Company are listed in National Stock Exchange of India Limited.

The Company is engaged in the

(i) Manufacturing and Marketing of Fertilizers and Petrochemicals;

(ii) Engineering Consultancy and Design; and

(iii) Fabrication and Erection of Industrial Equipments.

1.2. Basis for Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with accounting standards prescribed under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules as amended and other relevant provisions of the Act.

The financial statements have been prepared under the historical cost and on accrual basis, except for the following: -

- Certain financial assets and liabilities measured at fair value
- Certain provisions recognized using actuarial valuation techniques
- Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.
- Defined benefit plans – plan assets measured at fair value.

All amounts included in the financial statements which also include the accompanying notes are presented in Indian Rupees (₹) and all values are rounded to the nearest ₹ lakh except when otherwise indicated.

1.2.1 Use of Estimate & Judgements

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates and judgements affect the application of accounting policies and the reported amount of assets and liabilities, the disclosure of contingent assets and contingent liabilities at the date of financial statements and the reported amount of revenue and expenses during the period. Application of accounting policies that require critical accounting estimates involving judgements have been disclosed in Note 1.3. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of change in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

1.2.2 Current versus non-current classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

i. the asset/liability is expected to be realized/settled in the Company's normal operating cycle;

ii. the asset is intended for sale or consumption;

iii. the asset/liability is held primarily for the purpose of trading;

iv. the asset/liability is expected to be realized/settled within twelve months after the reporting period;

v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;

vi. in the case of a liability, the Company does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

1.3. Material Accounting Policies

i) Property Plant and Equipment

a) All Property, Plant and Equipment are stated at acquisition cost less accumulated depreciation / amortisation and cumulative impairment. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

b) All repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.

c) Land purchased/acquired and under the possession of the Company are treated as free hold land.

d) Technical know-how / license fee relating to plant / facilities are capitalized as part of cost of the underlying asset.

e) Income approach is adopted for accounting Government grants related to depreciable Property, Plant and Equipment. Grants utilized for acquisition of depreciable Property, Plant and Equipment are treated as Deferred Government Grants and the same is recognized in the Statement of Profit and Loss on a systematic and rational basis over the useful life of the assets.

f) Spares costing (Unit value of ₹ 10 lakh and above), and other components which are required to be replaced at intervals, meeting the recognition criteria, have been classified as Plant and Equipment and are depreciated separately based on the useful lives of the corresponding item of the Property, Plant & Equipment.

g) The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

h) Revenue expenses exclusively attributable to projects incurred during construction period are capitalized. However, such expenses in respect of capital facilities being executed along with production / operation simultaneously are charged to revenue.

Financing cost incurred during construction period on loans specifically borrowed and utilized for projects is capitalized upto the date of capitalization.

Financing cost, if any, incurred on general borrowings used for projects is capitalized at the weighted average cost. The amount of such borrowings is determined after setting off the amount of internal accruals, if any.

Depreciation

Depreciation is charged on Property, plant and equipment based on the useful life of assets, prescribed under the Schedule II of the Companies Act 2013, except where a different life is determined based on technical review. The Company has adopted Straight Line method of depreciation for all the categories of assets, acquired on or after 01st April 2014.

Effective from 1st April, 2014, the Company has reassessed the useful life of its existing Property, plant and equipment (considering component approach wherever necessary) and has charged depreciation over the remaining useful lives, after retaining residual value, in accordance with the transitional provisions contained in the Schedule II of the Companies Act 2013.

Residual value of 5% has been retained for all the Property, plant and equipment, which is in line with the provisions of the Schedule II.

Depreciation is charged @ 100% on the assets with acquisition value of less than ₹ 5,000/-, the value being immaterial, considering the size and nature of the business of the Company.

Impairment

An asset is treated as impaired when the carrying amount of assets exceeds its recoverable value. Impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. When the recoverable amount of previously impaired assets exceeds its carrying amount, the value of asset is reinstated by reversing the impairment loss considered in prior years limited to lower of its recoverable value or carrying amount at the depreciated historical cost.

Capital Stores

Capital stores are valued at cost. Specific provision is made for likely impairment in value, wherever required.

Exemption Availed Under Ind AS 101

On transition to Ind AS, Company has elected to continue with the carrying value of all its property plant and equipment existing as at 1st April 2016, measured as per previous GAAP (Indian GAAP) and used that carrying value as the deemed cost of the property plant and equipment.

ii) Capital Work In Progress

Projects under which Property, Plant and Equipment are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

iii) Investment Property

Investment properties are properties that are held to earn rentals and /or for capital appreciation (including property under construction for such purposes) and not occupied by the Company for its own use.

Investment properties are measured initially at cost, including transaction costs and net of recoverable taxes. The cost includes the cost of replacing parts and borrowing costs if recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation on Investment property, wherever applicable, is provided on straight line basis as per useful lives prescribed in Schedule II to Companies Act, 2013.

Investment properties are de-recognized either when they have been disposed off or when they are being occupied by the Company for its own use or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Exemption availed under Ind AS 101:- On transition to Ind AS, the Company has elected to continue with the carrying value of its Investment Property existing as at 1st April 2016, measured as per previous GAAP (Indian GAAP) and used that carrying value as the deemed cost of the same.

iv) Intangible Assets

Technical know-how / license fee relating to production process and process design are recognized as intangible assets and amortised on a straight-line method over a period of 5 years or life of the underlying plant / facility whichever is lower.

Expenditure incurred on Research and Development, other than capital account is charged to revenue.

Costs incurred on computer software purchased/developed resulting in future economic benefits, are capitalized as intangible assets and amortised over a period of 5 years or life of the facility whichever is lower.

Exemption Availed Under Ind AS 101

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets existing as on 1st April 2016 measured as per the previous GAAP (Indian GAAP) and use that value as its deemed cost as of the transition date.

The Company has no intangible assets with infinite useful lives.

v) Inventory Valuation

Raw materials and stores and spares are valued at or below cost. Cost is ascertained on moving weighted average method. In cases where there has been a decline in the price of imported and indigenous raw material and it is estimated that cost of finished product will exceed the net realizable value, the materials are written down to net realizable value. Materials lying in pipelines, production lines and other process systems are not valued as inventory.

Finished/Trading products are valued at lower of cost or net realizable value in the aggregate, product-wise. Intermediate products are valued at lower of cost or net realizable value derived from finished products and saleable by-product at realizable value. Cost of Finished / semi-finished / intermediate products are determined based on annual average cost excluding interest and head office and administrative overheads. Cost of finished goods in warehouse includes freight and handling charges.

Materials in transit / under inspection are valued at cost.

Gypsum Valuation

The entire quantity of saleable gypsum is valued at the approved price for the next financial year, reduced by the anticipated loading charges and moisture discount or average of the actual price realized during the year, whichever is lower. In case where more than one price slabs are approved, the lowest slab of the approved price is considered. For assessing the closing stock of gypsum, the saleable quantity is assessed on the basis of physical verification conducted at the end of the financial year.

vi) Commitments

Capital

Estimated amount of contracts remaining to be executed on capital accounts, above ₹ 5 lakh in each case, are considered for disclosure.

Other Commitments

Disclosure is considered in respect of those non-cancellable contractual commitments (i.e. cancellation of which will result in a penalty disproportionate to the benefits involved) based on the professional judgement of the management which are material and relevant.

vii) Borrowing Costs

Borrowing Costs that are specifically identified to the acquisition or construction of qualifying assets are capitalised as part of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to Statement of Profit and Loss.

viii) Investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at Fair Value through Profit and Loss (FVTPL). For all other equity instruments, the Company may decide to classify the same as at Fair Value through Other Comprehensive Income (FVTOCI). The Company makes such election on an instrument-by-instrument basis upon on initial recognition and same is irrevocable. Company is not holding any equity instrument for trading.

Upon classification of equity instruments as at FVTOCI, all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investments. The Company may transfer the cumulative gain or loss within equity.

Independent external valuer, engaged by the Company, is involved in valuation of investment in unquoted equity shares. The valuation is done annually at the end of the financial year and the impact, if any, is taken in the annual financial statements.

ix) Revenue Recognition

The revenue is recognised as and when control of goods or services is transferred to the customer at the amount which the Company expects to be entitled to. The Company adopted the 'Input method' as per Ind AS 115 for recognition of revenue.

Price Subsidy and any additional compensation over and above the price subsidy, as notified by the Government of India, is recognised on sale of fertilizers to dealers. Freight subsidy is recognised on receipt of fertilizers at respective districts. Recoveries made are withdrawn from the claim on the basis of settlement as per the policies in force. Any differential subsidy due to change in rate of subsidy shall be recognised considering its recoverability.

- Other income is recognized on an accrual basis.
- Dividend income is recognized when right to receive dividend is established.
- Interest income is recognized when no significant uncertainty as to its realization exists.
- Scrap, salvaged / waste materials and sweepings are recognized when control of such materials is transferred and the amount can be measured reliably.
- Claims on underwriters, carriers and on Customs and Central Excise, Goods and Service Tax Departments are taken into account on acceptance.
- Insurance and other miscellaneous claims are recognized only when the realization of income is reasonably certain and the claim is accepted. Contractual pass-through incentives, benefits, etc. are recognized when there is reasonable certainty of realization, supported by confirmation from the concerned parties.

x) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the contract lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

At the commencement date, Company recognizes a right-of-use asset at cost and a lease liability at present value of the lease payments that are not paid at commencement date. 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 right to obtain substantially all of the economic benefits from use of the asset throughout the period of the lease and (iii) the Company has the right to direct the use of the asset.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability (at present value) adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives (at present value) except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense. Lease of items such as IT Assets (tablets, personal computers, mobiles, POS machines etc.), small items of office furniture etc. are treated as low value.

The lease liability is initially measured at amortised cost at the present value of the future lease payments.

The lease payments are discounted using the Company's incremental borrowing rate computed on periodic basis based on lease term. Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment, whether it will exercise an extension or a termination option.

Right-of-use assets are depreciated over the lease term on systematic basis and Interest on lease liability is charged to Statement of Profit and Loss as Finance cost.

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. Rental income from operating lease is recognised as revenues as per lease terms since such rentals are structured to increase in line with expected general inflation. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases.

Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

xi) Foreign Currency Transactions:

Receivables and payables in foreign currency as on the reporting date including forward exchange contracts are restated at the rate prevailing at that date.

The premium in respect of forward exchange contracts is recognized in the year of contracts.

Variations arising on account of fluctuations in foreign exchange rates are treated as revenue (gain/loss (-)).

xii) Employee Benefits

Short Term Employee Benefits:

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employee are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits:

Defined Contribution Benefits

Contributory Superannuation Scheme with an annual contribution of ₹ 100 by the Company, aimed to provide superannuation benefits to the employees, has been treated as Defined Contribution Plan.

Defined Benefit Plans

The Company's contribution to the Provident Fund is remitted to separate trust established for this purposes based on a fixed percentage of the eligible employees' salary and charged to Statement of Profit and Loss. Shortfall, if any, in the fund assets based on the Government specified minimum rate of return will be made good by the Company and charged to Statement of Profit and Loss. As a matter of prudence, Company provides for certain expenses of the fund such as audit fees & expenses, bank charges etc.

The Company operates defined benefit plan for gratuity and leave encashment. The cost of providing such defined benefits is determined using the projected unit credit method of actuarial valuation made at the end of the year and the gratuity fund in respect of regular employees is administered through a fund maintained by insurance company.

Re-measurements, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurements recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorized as follows:

i) service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

ii) net interest expenses or income; and re-measurements

The Company presents the first two components of defined benefit costs in the Statement of Profit and Loss in the line item 'Employee benefits expense'.

xiii) Grants

Government grants in the nature of promoters' contribution are credited to Capital reserve and treated as part of Shareholders funds.

In case of depreciable assets, the cost of the asset is shown at gross value and grant thereon is treated as Capital Grants which are recognized as income in the Statement of Profit and Loss over the period and in the proportion in which depreciation is charged.

Revenue grants relating to revenue expenses are deducted from the respective expenses.

In respect of revenue grants released by Government, the treatments in the accounts are considered as per the respective schemes notified by the Government. Other revenue grants relating to revenue expenses are considered as income and credited to statement of Profit and Loss.

xiv) Taxes

Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised using the Balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements.

Deferred tax asset is recognized for the carry forward of unused tax losses and unused tax credits to the extent it is probable that the future taxable profit will be available against which the unused tax losses and unused tax credits can be utilized, subject to management judgement. The company reassess un-recognized deferred tax assets at the end of each reporting period.

xv) Goods and Services Tax

Goods and Service Tax credit on eligible materials and services is recognised on receipt of such items at intended locations.

xvi) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) (Ref Note No 48).

Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis have been included under un-allocable corporate expenses.

Investments, advance towards investments and other advances, which are not allocable to segments, are excluded from segment capital employed.

xvii) Contract Operations

In contract operations revenue is recognized on percentage of completion method. The stage of completion is ascertained on the basis of physical evaluation of respective contract activity on the reporting date. Foreseeable losses on contract activities are recognized fully irrespective of the progress of work. The amount of estimated liquidated damages is reduced from revenue.

In the case of Total responsibility jobs/Deposit work/Cost plus contracts, contract revenue is determined by adding the aggregate cost-plus fixed percentage fees there on as agreed with the Customer.

xviii) Errors and Omissions of earlier period

Errors and omissions in individual items of Income and Expenditure relating to earlier periods, exceeding ₹ 50 Lakh is accounted in the respective period, if possible, or adjusted against opening retained earnings.

xix) Research and Development Expenses

Research and development expenses (other than cost of Property, plant and equipment acquired) are charged as an expense in the Statement of Profit and Loss in the year in which they are incurred.

xx) Provisions, Contingent Liabilities and Contingent Assets

Provision is recognised in the accounts when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Show Cause notices issued by various Government Authorities are not considered as Obligation. When the demand notices are raised against such show cause notices and are disputed by the company, these are classified as disputed obligations.

The treatment in respect of disputed obligations, in each case, is as under:

i) a provision is recognized in respect of present obligations where the outflow of resources is probable

ii) all other cases are disclosed as contingent liabilities unless the Possibility of outflow of resources is remote.

Contingent Assets are not recognized in the financial statements, however where the inflow of economic benefits is probable as at the end of the reporting period, a brief description of the nature of the contingent assets along with its estimated financial effect is disclosed in the financial statements.

xxi) Non-current assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, and biological assets, which continue to be measured in accordance with the Company's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognized in profit or loss. Once classified as held for sale, intangible assets, property, plant and equipment and investment properties are no longer amortised or depreciated.

xxii) Financial Instruments

A. Financial Assets

(a) Classification

The Company classifies its financial assets in the following measurement categories, (i) measured subsequently at fair value (either through other comprehensive income, or through profit and loss), and (ii) measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses arising from fair valuation will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(b) Measurement

Initial recognition

The Company measures a financial asset at its fair value and, in the case of a financial asset not at fair value through profit or loss, at fair value including transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are recognised in profit and loss.

Subsequent Measurement

Subsequent measurement of financial assets depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its financial assets:

- **Amortised Cost**

  Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.

- **Fair value through Other Comprehensive Income (FVTOCI)**

  Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income.

- **Fair value through Profit and Loss (FVTPL)**

  Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit and loss.

Investments in Joint Venture

Investment in Joint venture is recognised at fair value through FVTOCI.

(c) Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

B. Financial Liabilities

(a) Initial recognition and measurement

Financial liabilities are classified, at initial recognition as loans and borrowings, payables, derivatives and financial liabilities at fair value through profit or loss. The Company's financial liability consists of trade and other payables, loans and borrowings, bank overdrafts, financial guarantee contracts and derivative financial instruments.

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

(b) Subsequent measurement

The subsequent measurement of financial liabilities of the Company depends on their classification in accordance with Ind AS.

(c) De-recognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

C. Offsetting of financial instruments

Financial Assets and Financial liabilities are offset and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to set off the recognized amounts and there is an intention to settle on net basis, to realize the assets and settle the liabilities simultaneously.

D. Loans and borrowings including bank overdrafts

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortisation process.

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

This category generally applies to interest-bearing loans and borrowings.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder of the guarantee for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortisation.

xxiii) Exemption as per Ind AS 101

Company has elected to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition measured as per Indian GAAP and use that as its deemed cost as at date of transition to Ind AS. The same is applicable even for Investment property and intangible assets.

Company has also reviewed the necessary adjustments required to be done in accordance with paragraph D21 of the standard (i.e. adjustments arising on account of decommissioning or restoration liabilities) and has accordingly considered the impact of the same wherever applicable.

The Company has designated unquoted equity instruments held at 1st April 2016 as fair value through OCI.

xxiv) Statement of Cash flow

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

xxv) Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed using the weighted average number of equity and dilutive equivalent shares outstanding during the period.

xxvi) Dividend

The Company recognizes a liability to pay dividend to shareholders when the distribution is authorized and the same is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. A corresponding amount is recognized directly in equity.

xxvii) Exceptional Items

Exceptional items of income and expenses within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items are disclosed separately as exceptional items.

1.4. New Standards / Amendments and Other Changes Effective on or after 1 April 2025

Ministry of Corporate Affairs (MCA), vide notifications dated 7 May 2025 and 13 August 2025, has amended the Companies (Indian Accounting Standards) Rules, 2015. The application of the amendments did not have any material impact on the financial statements of the Company.

1.5. New Standards / Amendments Issued But Not Yet Effective

Ministry of Corporate Affairs through its notification amends Companies (Indian Accounting Standards) Rules, 2015 to notify new standards or amend the existing standards. During the year, no new standard or modification in existing standard, applicable to the Company, has been notified which will be applicable from April 1, 2026, or thereafter.

Note No. 2. Non Current Assets- Property, Plant and Equipment (PPE):

₹ In Lakh

Particulars	DEEMED COST / COST						DEPRECIATION					IMPAIRMENT LOSS			NET BLOCK	
	As at 1st April 2025	Additions during the year	Disposal/ Deduction during the year	Adjustments during the year	Change due to revaluation	As at 31st March 2026	Upto 1st April 2025	For the year	On Disposal/ Deduction during the year	On Adjustment during the year	Upto 31st March 2026	Upto 1st April 2025	(Withdrawal)/ Provision during the year	Upto 31st March 2026	As at 31st March 2026	As at 31st March 2025
Tangible Assets																
Land	49,559.10	-	-	-	-	49,559.10	-	-	-	-	-	-	-	-	49,559.10	49,559.10
Buildings	2,044.15	271.73	(1.92)	-	-	2,313.96	544.31	71.91	(0.47)	-	615.75	-	-	-	1,698.21	1,499.84
Plant and Equipment	58,831.73	2,353.01	(7.45)	(278.09)	-	60,899.20	18,843.26	3,060.74	-	(139.48)	21,764.52	-	-	-	39,134.68	39,988.47
Furniture and Fixtures	94.14	14.89	-	-	-	109.03	25.48	6.12	-	-	31.60	-	-	-	77.43	68.66
Vehicles	404.25	317.30	(0.16)	(0.82)	-	720.57	197.61	58.04	-	-	255.65	-	-	-	464.92	206.64
Office equipment	1,230.22	65.06	-	-	-	1,295.28	940.66	115.87	-	-	1,056.53	-	-	-	238.75	289.56
Others:-																
Roads & Culverts	338.17	109.44	-	-	-	447.61	130.96	20.39	-	-	151.35	-	-	-	296.26	207.21
Railway Sidings	15.62	206.80	-	-	-	222.42	-	46.05	-	-	46.05	-	-	-	176.37	15.62
Misc. Assets	265.01	54.42	-	-	-	319.43	178.04	15.88	-	-	193.92	-	-	-	125.51	86.97
Retired Asset	505.57	-	(6.52)	278.91	-	777.96	439.29	1.51	-	139.48	580.28	-	-	-	197.68	66.28
Minor Assets	64.78	4.62	-	-	-	69.40	64.78	4.62	-	-	69.40	-	-	-	-	-
Total	**1,13,352.74**	**3,397.27**	**(16.05)**	**-**	**-**	**1,16,733.96**	**21,364.39**	**3,401.13**	**(0.47)**	**-**	**24,765.05**	**-**	**-**	**-**	**91,968.91**	**91,988.35**
Previous year	97,310.48	16,064.70	(22.44)	-	-	1,13,352.74	17,885.86	3,481.39	(2.86)	-	21,364.39	-	-	-	91,988.35	79,424.61

2.1 Company has agreed to mortgage 408 acres of land held vide patta no.7030 in survey no.205 in Puthencruz village, Ernakulam District, Kerala State to the Government of India against the plan loan sanctioned by the Government of India during the year 2015-16.

2.2 Out of 1499.73 acres (Previous year 1499.73 acres) of land held by the Company, 15.02 acres (Previous year 15.02 acres) for which right-of-use asset is recognised are held under lease hold right from Cochin Port Trust, for which lease agreement is under finalization. 80.50 acres of land has been provided as security towards arbitration award in the dispute between the Company and a private company (Refer Note. 51.1).

2.3 Title deeds are yet to be registered/ received, in respect of 40 acres of Land. Certain land owners have since preferred extra compensation claims which are pending before Courts. The liability on this account is not ascertainable. Interest and legal expenses incurred on land acquisition cases are charged to Statement of Profit and Loss of the respective year.

2.4 Railway sidings include siding held jointly with M/s.Bharat Petroleum Corporation Limited (Kochi Refinery) with written down value ₹4.27 lakh (Previous year ₹4.27 lakh).

2.5 Plant and Equipment includes value of 6 numbers of Ammonia bullets fixed on the barges of contractor of the Company for transportation of Ammonia, with net written down value of ₹2.66 lakh (Previous year ₹2.66 lakh).

2.6 First charge has been created on 36.08 acres of land (Previous year- 36.08 acres of land), in the State of Kerala, as security for Fund/Non Fund Based working capital arrangement with State Bank of India.

2.7 The above includes assets procured with EEC grant with book value ₹52.09 lakh (Previous year ₹53.03 lakh).

2.8 Depreciation is charged on property, plant and equipment based on the useful life of assets prescribed under the Schedule II of the Companies Act 2013 except for the following assets, for which depreciation is charged based on the estimated useful life ascertained on evaluation by the concerned technical team of the Company:

(a) DCS for Fertiliser Plant	10 Years
(b) Analysers	5 Years
(c) Rejuvenation of Caprolactam Plant	15 years

Note No. 2A. Non Current Assets - Capital Work in Progress

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Capital Work in Progress (CWIP)*	28,665.64	21,565.18
Goods in Transit / Goods Pending Inspection /Capital Stores	686.27	61.22
	29,351.91	**21,626.40**

***Movement in Capital Work in Progress:**

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Opening Balance	21,565.18	22,035.02
Additions (net)	9,305.12	16,771.92
Transfer to Property, Plant and Equipment	(2,204.66)	(17,241.76
Closing Balance	**28,665.64**	**21,565.18**

(i) CWIP ageing schedule - Refer Note 50(ii)(a).

(ii) Details of CWIP for which there is a time over-run compared to its Original plan - Refer Note 50(ii)(b).

Note No. 2B. Non Current Assets - Investment Property

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Land		
Opening Balance	5.77	5.77
Addition/ (Deletion)	-	-
Closing Balance	**5.77**	**5.77**

2B.1. During the year 2011-12 Company by way of leave and license basis, has made available to GAIL (India) Ltd, at Udyogamandal/Cochin Division, 2.40 acres of land and right to use of 0.33 acres for laying pipelines for a period of 35 years for an upfront premium of ₹479 lakh and yearly license fee of ₹200/-.

2B.2. During the year 2021-22, Company has entered into a Leave and License agreement with Kochi Salem Pipeline Private Limited (KSPPL) by allotting 30 cents of land to KSPPL at Udyogamandal for a period of 15 years with effect from 10-01-2022.

Note No. 2B. Non Current Assets- Investment Property (continued)

2B.3. As per the Joint Venture agreement with Rashtriya Chemicals & Fertilisers Ltd (RCF), the Company during 2008-09, has made available, 11 acres of land at Cochin Division on lease basis to FACT-RCF Building Products Ltd (FRBL), for a period of 20 years for an upfront premium of ₹1,000 lakh and yearly rent of ₹10/-.

The Hon'ble National Company Law Tribunal (NCLT), Kochi Bench, has approved a Resolution Plan in respect of FRBL under the provisions of the Insolvency and Bankruptcy Code, 2016 as disclosed in Note 39. The Company has filed an appeal against the NCLT order approving the Resolution Plan and the matter is currently pending adjudication before the National Company Law Appellate Tribunal (NCLAT), Chennai.

Consequent to this, the Company has issued notice of termination of the tenancy arrangement and also initiated proceedings for eviction under the Public Premises (Eviction of Unauthorised Occupants) Act, 1971. In the meantime, FRBL approached NCLT, Kochi Bench, challenging the termination and for exclusion of the period from 24.12.2019 till the date of plan approval (26.09.2025) from the lease tenure, and for other reliefs. As at the reporting date, FRBL continued to occupy the premises and has not vacated the land. Pending resolution of these matters as at reporting date, the Company classified the said land as investment property.

Subsequent to the reporting date, the Company has taken back possession of the land leased to FRBL and the occupancy of the premises by FRBL has ceased (Note 61).

2B.4. Information regarding Income and Expenditure of Investment Property:

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Rental Income from Investment Property	124.70	124.72
Direct operating expenses to income generating property	-	-
Less: Reimbursement of expenses	-	-
Profit arising from Investment Property before depreciation	124.70	124.72
Depreciation	-	-
Profit arising from Investment Property	**124.70**	**124.72**

2B.5. Reconciliation of Fair Value:

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Fair Value of Investment Property - Freehold Land		
Opening Balance	3,750.69	3,750.69
Additions/(Deletions)	-	-
Closing Balance	**3,750.69**	**3,750.69**

Fair Value of Freehold Land is based on the latest Gazette notification on fair value of land issued by the Government of Kerala (SRO No. 420/2023 dated 25/03/2023).

2B.6. The maturity analysis of lease receivables is disclosed under Note No.42.A(i).

Note No. 2C. Non Current Assets- Right-of-Use Assets

₹ In Lakh

Particulars	GROSS CARRYING AMOUNT					DEPRECIATION				NET CARRYING AMOUNT	
	As at 1st April 2025	Additions during the year	Disposal/ Deduction during the year	Remeasurement of lease during the year	As at 31st March 2026	Upto 1st April 2025	For the year	On Disposal/ Deduction during the year	Upto 31st March 2026	As at 31st March 2026	As at 31st March 2025
Land RoU	3,842.92	-	-	16.30	**3,859.22**	756.70	163.22	-	**919.92**	**2,939.30**	**3,086.22**
Total	**3,842.92**	**-**	**-**	**16.30**	**3,859.22**	**756.70**	**163.22**	**-**	**919.92**	**2,939.30**	**3,086.22**
Previous year	3,859.04	-	(16.12)	-	3,842.92	603.79	169.03	(16.12)	756.70	3,086.22	3,255.25

(i) The above includes leased land from Cochin Port Trust taken for the purpose of storage, handling of raw materials and for setting up a dock for barge operations. The lease agreement is pending execution. The recognition of Right-of-Use Asset and lease liability has been made based on the draft agreement agreed upon as per the sanction from Ministry of Shipping, Government of India, dated 14.11.2014.

(ii) Additional disclosure as per Ind AS 116 - Refer Note No.42.B

Note No. 2D. Non Current Assets - Other Intangible Assets

₹ In Lakh

Particulars	Deemed Cost						Amortization					Impairment Loss			Net Block	
	As at 1st April 2025	Additions during the year	Disposal/ Deduction during the year	Adjustment during the year	Change due to revaluation	As at 31st March 2026	Upto 1st April 2025	For the year	On Disposal/ Deduction during the year	On Adjustment during the year	Upto 31st March 2026	Upto 1st April 2025	(Withdrawal)/ Provision during the year	Upto 31st March 2026	As at 31st March 2026	As at 31st March 2025
Computer Software	224.51	1.79	-	-	-	**226.30**	208.47	5.29	-	-	**213.76**	-	-	-	**12.54**	16.04
Total	**224.51**	**1.79**	-	-	-	**226.30**	**208.47**	**5.29**	-	-	**213.76**	-	-	-	**12.54**	**16.04**
Previous year	224.51	-	-	-	-	224.51	197.08	11.39	-	-	208.47	-	-	-	16.04	27.43

Note No. 3A Non Current Assets - Financial Assets - Investments in Joint Venture

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
In Joint Venture:		
FACT-RCF Building Products Ltd		
Nil (Previous year 3,52,27,000) Equity Shares of ₹ 10/- each	-	3,522.70
Less: Provision for impairment in the value of investment	-	(3,522.70)
Investment in Joint Venture	-	-

3A.1. Details of discontinuation of interest in joint venture - Refer Note 39.

Note No. 3B Non Current Assets - Financial Assets - Other Investments

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
A. Investment in unquoted equity shares:		
(i) Indian Potash Ltd.		
6,48,000 (Previous year 6,48,000) Equity Shares of ₹10/- each fully paid-up, including 4,59,000 (Previous year 4,59,000) Bonus Shares	17,109.14	14,402.84
(ii) Kerala Enviro Infrastructure Ltd		
31,24,000 (Previous year 31,24,000) Equity shares of ₹10/- each fully paid-up	1,145.88	1,122.45
(iii) Travancore Cochin Chemicals Ltd		
6,81,820 (Previous year 6,81,820) Equity Shares of ₹10/- each fully paid-up, including 3,40,910 (Previous year 3,40,910) Bonus shares.	286.09	280.98
(iv) FACT-RCF Building Products Ltd		
3,52,27,000 (Previous year-Nil) Equity Shares of ₹ 10/- each	3,522.70	-
Less: Provision for impairment in the value of investment	(3,522.70)	-
(Refer Note 39)	-	-
(v) Capexil Agencies Ltd.		
15 (Previous year 15) Equity Shares of ₹1,000/- each fully paid up	0.15	0.15
Less: Provision for impairment in the value of investment	(0.15)	(0.15)
	-	-
Investment in unquoted equity shares	**18,541.11**	**15,806.27**
B. Shares in Co-Operative Societies:		
(i) FACT Co-operative Society Ltd		
10,001 (Previous year 10,001) shares of ₹10/- each fully paid-up	1.00	1.00
(ii) Meherabad Co-operative Housing Society Ltd		
7 (Previous year 7) shares of ₹100/- each fully paid-up	0.01	0.01
(iii) Good Earth Housing Society Ltd.		
10 (Previous year 10) shares of ₹50/- each fully paid-up ₹ 500 (Previous year ₹500)	0.01	0.01
Shares in Co-Operative Societies	1.02	1.02
Other Investments (A + B)	**18,542.13**	**15,807.29**

Note No. 3B Non Current Assets - Financial Assets - Other Investments (continued)

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Aggregate amount of unquoted investments	**18,542.13**	**15,807.29**

C. Reconciliation of fair value measurement of the investment in unquoted equity shares

(i) Indian Potash Ltd.		
Opening balance	14,402.84	12,271.69
Total gains and losses recognised in OCI	2,706.30	2,131.15
Closing Balance	17,109.14	14,402.84
(ii) Kerala Enviro Infrastructure Ltd		
Opening balance	1,122.45	532.95
Total gains and losses recognised in OCI	23.43	589.50
Closing Balance	1,145.88	1,122.45
(iii) Travancore Cochin Chemicals Ltd		
Opening balance	280.98	231.27
Total gains and losses recognised in OCI	5.11	49.71
Closing Balance	286.09	280.98

(iv) The value of investment in FACT-RCF Building Products Ltd and Capexil Agencies Ltd is fully impaired and valued at Nil in the books.

(v) Shares of Co-operative societies are retained at book value.

Note No. 4. Non Current Assets - Financial Assets- Other Financial Assets

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Security Deposit: Unsecured Considered Good	1,336.77	1,329.17
Term Deposit held towards Capex projects* (i)	19,976.54	299.00
Interest Accrued on (i) above	764.40	10.77
Other Deposits	12.06	12.03
Advances to Related Parties:		
Considered Doubtful	-	3,619.02
Less : Provision for Doubtful Advances	-	(3,619.02
(Refer Note 39)	–	–
Advance to Others:		
Unsecured Considered Doubtful	29,399.55	25,815.98
Less : Provision for Doubtful Advances	(29,399.55)	(25,815.98
	–	–
	22,089.77	**1,650.97**

*with more than 12 months maturity from the reporting date

Note No. 4. Non Current Assets - Financial Assets- Other Financial Assets (continued)

Movement in Provision:

Provision for bad & doubtful loans and advances **₹ In Lakh**

Particulars	As at 31st March 2026	As at 31st March 2025
Provision at the beginning of the year	29,435.00	29,432.33
Provision released during the year	(37.40)	(1.09)
Provision made during the year	1.95	3.76
Provision at the end of the year	**29,399.55**	**29,435.00**

4.1.Provision for doubtful loans and advances includes ₹ 25,450.98 lakh (Previous year ₹ 25,450.98 lakh) towards interest accrued upto 31.03.2022, on mobilisation advance given to a private company. Pending litigation, equivalent provision has been made towards interest beyond the amount considered recoverable (Refer notes 13.2, 51.1 & 52).

Note No. 5. Non Current Assets – Deferred Tax Assets (net)

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
A. Deferred Tax Liability in relation to		
Property, Plant & Equipment and Intangible Assets	(5,185.09)	(4,913.60)
Total	**(5,185.09)**	**(4,913.60)**
B. Deferred Tax Asset in relation to		
Carry Forward Business Loss & Unabsorbed Depreciation	12,607.83	12,305.15
Total	**12,607.83**	**12,305.15**
Net Deferred Tax Asset	**7,422.74**	**7,391.55**

5.1.The Company has a deferred tax asset of ₹12,607.83 lakh (Previous year ₹12,305.15 lakh) on account of unabsorbed depreciation and carry forward business loss.The deferred tax liability as on 31.03.2026 is ₹5,185.09 lakh (Previous year ₹4,913.60 lakh) on account of property, plant & equipment and intangible assets. Net Deferred Tax Asset is recognised as on 31.03.2026. Even though, the Company incurred losses during the year, the management expects to generate sufficient taxable profits in the ensuing years against which such deferred tax assets can be utilised.

5.2. Tax Base for Deferred Tax:

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
A. Tax Base for Deferred Tax Liability in relation to		
Property, Plant & Equipment and Intangible Assets	(20,600.29)	(19,521.66)
Total	**(20,600.29)**	**(19,521.66)**
B. Tax base for Deferred Tax Asset in relation to		
Carry Forward Business Loss & Unabsorbed Depreciation	50,090.73	48,888.18
Total	**50,090.73**	**48,888.18**

Note No. 5. Non Current Assets - Deffered Tax Assets (net) continued

5.3. Movement in deferred tax components:

₹ In Lakh

Year ended 31st March 2026	Opening Balance	Recognised in profit or loss	Closing Balance
Deferred tax (liabilities)/ assets in relation to			
Property, Plant & Equipment and Intangible Assets	(4,913.60)	(271.49)	(5,185.09)
Carry Forward Business Loss & Unabsorbed Depreciation	12,305.15	302.68	12,607.83
Total	**7,391.55**	**31.19**	**7,422.74**

₹ In Lakh

Year ended 31st March 2025	Opening Balance	Recognised in profit or loss	Closing Balance
Deferred tax (liabilities)/ assets in relation to			
Property, Plant & Equipment and Intangible Assets	(4,559.10)	(354.50)	(4,913.60)
Carry Forward Business Loss & Unabsorbed Depreciation	13,201.51	(896.36)	12,305.15
Total	**8,642.41**	**(1,250.86)**	**7,391.55**

5.4. Tax Expense/ (Income) for the year can be reconciled to the Accounting Profit as follows:

₹ In Lakh

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
A. Profit / (Loss) before Tax	**(3,991.21)**	**5,374.06**
B. Income Tax as per the applicable Tax Rate of 25.17% (Previous year - 25.17%)	**(1,004.59)**	**1,352.65**
C. Tax effect of:		
Derecognition/(Recognition) of Deferred Tax Asset on Losses	1,558.32	1,085.62
Net Income Tax effect on Disallowances/Allowances	(856.41)	(1,583.45
Deferred tax due to Timing Difference of Depreciation	260.89	343.18
Deferred tax on Permanent Differences	10.60	52.86
Total	**973.40**	**(101.79)**
D. Income Tax Expense/ (Income) reported in the Statement of Profit and Loss	**(31.19)**	**1,250.86**

Note No. 6. Non Current Assets - Other Non Current Assets

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Capital Advances (Secured Considered Good)	2,445.74	2,631.51
	2,445.74	2,631.51

Note No. 7. Current Assets - Inventories

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Raw Materials	23,035.15	16,011.41
Raw Materials-in-transit	11,117.93	7,347.25
	34,153.08	23,358.66
Work-in-Progress	8,811.57	14,717.51
Finished Goods	46,489.89	36,617.64
Stock-in-Trade (in respect of goods acquired for trading)	24,084.65	10,056.67
Stores and Spares:		
Machinery Spares	11,623.47	11,608.33
General Stores	2,686.78	2,834.28
Stores & Spares-in-transit	400.10	274.81
	14,710.35	14,717.42
Retired Spares	453.50	453.50
Total Inventories	1,28,703.04	99,921.40
Less: Provision towards Obsolescence and Storage Losses	(4,982.52)	(5,419.07)
	1,23,720.52	**94,502.33**

7.1. Current Assets include inventories and trade receivables pledged as Primary Security for Fund/ Non Fund based Working Capital arrangement with Banks amounting to ₹1,34,500.00 lakh (Previous year ₹90,000 lakh). The utilisation of this arrangement as on reporting date is ₹18,751.29 lakh (Previous year ₹16,955.38 lakh).

7.2. Inventory of finished goods, raw material, stores and spares and work in progress are valued as per the Accounting Policy of the Company (Refer Note 1.3.(v)).

7.3. Finished Goods includes 21.99 lakh MT of saleable gypsum (bulk) (Previous year 21.01 lakh MT) amounting to ₹12,817.71 lakh (Previous year ₹13,157.84 lakh). For assessing the closing stock of gypsum as on 31.03.2026, the saleable quantity has been assessed on the basis of physical verification conducted at the end of the financial year.

7.4. Stores & Spares in transit includes Stores & Spares at site pending inspection ₹400.10 lakh (Previous year ₹235.33 lakh)

7.5. During the year 2021-22, Company had detected irregularities in the physical stock to the tune of 543.60 MT of Factamfos and 60.50 MT in Ammonium Sulphate at Chikmagalur Depot valued at ₹218.50 lakh (including GST of ₹6.88 lakh). Company had provided for an amount of ₹211.62 lakh, being sale value (net of GST) and subsidy. Certain dealers have initiated legal proceedings claiming value of 235.50 MT of fertilizers pending supply to them. The Company has since realised an aggregate amount of ₹63.85 lakh being the sale value of 256.95 MT of Factamfos from various dealers during the year 2022-23 in connection with the above. However, the Company has maintained the provision of ₹211.62 lakh pending completion of investigation. Company has taken steps for recovery from transporters, dealers and warehouse (Refer Notes 13.3, 23.1, 24.2 & 26.1).

7.6. 90% provision has been made for non-moving stock of stores (including unserviceable packing material) & spares, ageing five years and more, as on 31.03.2026.

7.7. Write down of work-in-progress recognised in the Statement of Profit and Loss (difference between cost & NRV) is ₹17.66 lakh (Previous year ₹352.66 lakh).

7.8. Movement in Provision:

Provision towards obsolescence and storage losses (including provision towards Retired spares)

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Provision at the beginning of the year	5,419.07	5,255.96
Provision made during the year	-	163.11
Provision released during the year	(436.55)	-
Provision at the end of the year	**4,982.52**	**5,419.07**

Note No. 8. Current Assets - Financial Assets-Trade Receivables

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
From Related Party		
Unsecured		
Credit impaired	-	297.72
Less: Provision for Doubtful Debts	-	(297.72)
(Refer Note 39)	-	-
Others		
Unsecured		
Credit impaired	2,029.88	1,669.98
Less: Provision for Doubtful Debts	(2,029.88)	(1,669.98)
	-	-

Note No. 8. Current Assets - Financial Assets - Trade Receivables (Continued)

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Sundry Debtors		
Secured, considered good	32.45	1,543.95
Unsecured, considered good	839.17	974.24
	871.62	2,518.19
Subsidy Receivable		
Unsecured		
Considered doubtful	408.38	411.33
Unsecured Considered good	34,348.07	25,829.42
Less: Provision for Doubtful Subsidy	(408.38)	(411.33)
	34,348.07	25,829.42
	35,219.69	**28,347.61**

Movement in Provision:

Provision for Doubtful Debts & Subsidy

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Provision at the beginning of the year	2,379.03	20,608.47
Provision released during the year	(14.09)	(18,260.31)
Provision made during the year	73.32	30.87
Provision at the end of the year	**2,438.26**	2,379.03

Trade Receivables Ageing Schedule as at 31st March 2026

₹ in lakh

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables – considered good	-	24,996.04	4,609.85	3,912.90	1,638.63	61.25	**35,218.67**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	1.55	4.41	6.31	1,797.83	**1,810.10**
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	1.02	**1.02**

Trade Receivables Ageing Schedule as at 31st March 2026

₹ in lakh

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	628.16	**628.16**
TOTAL	-	**24,996.04**	**4,611.40**	**3,917.31**	**1,644.94**	**2,488.26**	**37,657.95**
Less: Provision for Doubtful Debts							(2,438.26)
TOTAL (Net of Provision)	-	**24,996.04**	**4,611.40**	**3,917.31**	**1,644.94**	**2,488.26**	**35,219.69**

Trade Receivables Ageing Schedule as at 31st March 2025

₹ In Lakh

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables – considered good	-	19,701.56	5,763.87	2,780.03	74.33	26.80	**28,346.59**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	1.62	11.95	4.86	1,732.38	**1,750.81**
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	1.02	**1.02**
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	628.22	**628.22**
TOTAL	-	**19,701.56**	**5,765.49**	**2,791.98**	**79.19**	**2,388.42**	**30,726.64**
Less: Provision for Doubtful Debts							(2,379.03)
TOTAL (Net of Provision)	-	**19,701.56**	**5,765.49**	**2,791.98**	**79.19**	**2,388.42**	**28,347.61**

Note No. 9. Current Assets - Financial Assets-Cash and Cash Equivalents

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Balances with Banks	4,414.13	1,507.17
Cash on hand	2.07	1.67
Short Term Deposit with Banks* (i)	12,474.88	20,300.58
Interest accrued on (i) above	1.59	24.25
	16,892.67	**21,833.67**

*Original maturity of three months or less

9.1. Cash and Cash Equivalents include:

(a) ₹ 2,471.71lakh (Previous year ₹ 814.90lakh) received towards work on Deposit basis, lying in a specified account to meet the corresponding liabilities.

(b) amount unspent towards CSR activities, earmarked for identified projects maintained in a separate bank account, amounting to Nil (Previous year ₹ 232.21 lakh).

Note No. 10. Current Assets - Financial Assets-Other Bank Balances

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Balance in Unpaid Dividend account	31.28	18.81
Amount pledged for Letter of Credit, Bank Guarantee and Fund based arrangements* (i)	-	98,107.34
Deposit earmarked for capex projects* (ii)	1,44,465.11	1,47,010.09
Interest accrued on (i) and (ii) above	5,680.37	10,766.71
	1,50,176.76	**2,55,902.95**

* Maturing within 12 months from the reporting date

10.1. Out of the deposits earmarked for capex projects, lien has been marked on deposits amounting to ₹65,882.90 lakh (Previous year-₹ 1,624.84 lakh) for availing Fund Based and Non-Fund Based facilities.

Note No. 11. Current Assets - Financial Assets-Other Financial Assets

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Security Deposits: Unsecured, considered good	7.43	8.48
Amount receivable against Service Orders	575.43	368.64
Other Accrued Income	62,234.24	24,727.78
Amount receivable from LIC under Group Gratuity Scheme	245.75	16.95
Township Dues (Net of provision for doubtful dues)	108.55	97.91
Foreign Currency Asset (Net)	16.23	-
Others	40.52	34.52
	63,228.15	**25,254.28**

11.1.Other Accrued Income includes ₹45,238.94 lakh (Previous year -₹24,589.67 lakh) being 99%(Previous year 95%) of unclaimed DBT subsidy portion of P&K fertilizer stock with dealers (accounted on recoverability basis which is reassessed during current year considering substantial improvement in acknowledgement) - Refer Notes 27.1. & 54.

Note No. 12. Current Assets - Current Tax Assets (Net)

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Income Tax (Net of provision)	187.14	128.68
	187.14	**128.68**

Note No. 13. Current Assets - Other Current Assets

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Dues from:		
Statutory Authorities	69,231.34	59,200.36
Less: Provision for Doubtful Receivables	(44,186.83)	(39,072.99)
	25,044.51	20,127.37
Contractors	2,484.69	2,263.60
Employees	516.14	466.66
Pre Paid Expenses	356.01	763.12
Others	34.12	279.54
	28,435.47	**23,900.29**

13.1. Dues from statutory authorities include :

(i) Value Added Tax (VAT) incurred on Regasified Liquified Natural Gas (RLNG) procurement upto 31.03.2026 amounting to ₹44,138.24 lakh (Previous year ₹39,017.84 lakh). In view of the uncertainty in the reimbursement of VAT paid on RLNG from Government of Kerala, the Company has made equivalent provision under the head "Provision for Doubtful Receivables" (Refer Note No. 29.2).

(ii) ₹71.39 lakh (Previous year ₹64.83 lakh) (net of provision) being KVAT refund receivables, and

(iii) ₹72.97 lakh (Previous year ₹72.97 lakh) towards the amount paid against disputed demands pending appeal

13.2.Dues from Contractors include amount paid for materials supplied but rejected by the Company pending settlement ₹ 0.53lakh (Previous year ₹0.56 lakh) and an amount of ₹1,353.19 lakh (Previous year ₹1,353.19 lakh) including interest considered as recoverable on the basis of a bank guarantee invoked by the Company but stayed till the completion of arbitration. The Arbitration Award was passed during the year 2013-14,as per which the Company is entitled to adjust an amount of ₹2,798.29 lakh towards this advance and interest from the dues claimed by the contractor. The Company has gone on appeal against the award before the Hon' District Court, Ernakulam which has since stayed the award. The case is transferred to Commercial Court. Accordingly, the Company demanded the banks to send the proceeds of encashment of bank guarantee along with interest. The bank rejected the claim and consequently the Company filed a suit against the bank before the Hon' High Court of Mumbai for realization of amount, which is pending. However, an amount of ₹1,353.19 lakh only has been retained pending disposal of the case.

13.3.Other Current Assets,dues from contractors include ₹476.89 lakh (Previous year ₹476.89 lakh) charged to transport contractor as per the terms and conditions of the contract, towards non delivery of goods to dealers at the assigned destinations. (Refer Note- 7.5, 23.1 & 24.2)

13.4.Other Current Assets include CSR expenditure of Nil (Previous year ₹250.37 lakh) spent over and above the minimum amount as stipulated in The Companies Act,2013,after utilisation for the financial year 2025-26 (Refer Note- 35.5).

Note No. 14. Non-Current Assets held for Disposal

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Retired assets held for disposal	4,065.02	4,065.02
	4,065.02	**4,065.02**

Retired assets held for disposal includes Ammonia and Urea Plant at Cochin Division, which the Company had decided to scrap during the year 2009-10.These retired assets are retained in books at the written down value of ₹4,065.02 lakh (Previous year- ₹4,065.02 lakh), which is lower than the estimated net realisable value. The Company could not complete the disposal process since the matter had been pending before the Court.

Note No. 15. Equity- Equity Share Capital

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Authorised:		
100,00,00,000 (Previous year 100,00,00,000) Equity Shares of ₹10/- each	1,00,000.00	1,00,000.00
Issued, Subscribed and fully Paid up:		
64,70,71,974 (Previous year 64,70,71,974) Equity Shares of ₹10/- each fully paid up	**64,707.20**	**64,707.20**

15.1. Reconciliation of the shares outstanding at the beginning and at the end of the Financial Year:

Particulars	As at 31st March 2026	As at 31st March 2025
Number of shares at the beginning of the year	647071974	647071974
Number of shares issued during the year	Nil	Nil
Number of shares at the end of the year	647071974	647071974

15.2. Rights, Preferences and Restrictions attached to Shares:

The Company has only one class of equity shares having par value of ₹10 per share. Each share holder is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

15.3. Shares held by shareholders holding more than 5% of shares:

Particulars	As at 31st March 2026	As at 31st March 2025
(a) The Government of India:		
No. of Shares	582364776	582364776
Percentage of shareholding	90.00%	90.00%
(b) Special National Investment Fund (constituted by the Government of India)*		
No. of Shares	55400424	55400424
Percentage of shareholding	8.56%	8.56%

**The Government of India had transferred 55400424 equity shares of ₹10 each to Special National Investment Fund on 6th August 2013.*

15.4. Shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment - NIL

15.5. Aggregate number and class of shares allotted for consideration other than cash, bonus shares and shares bought back- No such event has occurred during a period of five years immediately preceding the Balance Sheet date.

15.6. Terms of any securities convertible into equity / preferential shares issued along with the earliest date of conversion - NIL

15.7. Details of promoter shareholding at the end of the year:

Promoter name	No. of Shares (Equity shares)	% of total shares	% Change during the year
Government of India	582364776	90.00	NIL
Total	**582364776**	**90.00**	**NIL**

Note No. 16. Equity - Other Equity

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Capital Reserves:		
Subsidy from Kerala State Government under Industrial Housing Scheme	2.64	2.64
	2.64	**2.64**
Other Reserves:		
Deferred Government Grant: Indo EEC Fertiliser Education Project		
Opening Balance	48.91	49.85
Amount transferred to Statement of Profit & Loss	(0.94)	(0.94)
Closing Balance	**47.97**	**48.91**
Equity Instruments through Other Comprehensive Income:		
Opening Balance	15,440.73	12,670.38
Additions/(Deletions) during the Year	2,734.85	2,770.35
Closing Balance	**18,175.58**	**15,440.73**
Retained Earnings:		
Opening Balance	56,870.20	58,354.43
Add :Profit/ (Loss) during the year	(3,960.02)	4,123.20
Add: Remeasurement of defined benefit plan	1,712.53	669.17
Less: Dividend	(2,523.58)	(6,276.60)
Closing Balance	**52,099.13**	**56,870.20**
Other Equity	**70,325.32**	**72,362.48**

16.1.The Board of Directors has not considered recommendation of dividend for the financial year 2025-26 as on the date of approval of these financial statements.

For the Financial Year 2024-25, the Board of Directors had initially recommended a final dividend of ₹0.20 per equity share. Subsequently, the Board of Directors recommended a final dividend at a revised rate of ₹0.39 per equity share, as against the earlier recommendation, on the basis of the decision of the Committee for Monitoring of Capital Management and Dividend in CPSEs (CMCDC) and the direction of Department of Fertilizers. The revised final dividend was paid during the financial year 2025-26 upon approval of the shareholders of the Company at the Annual General Meeting .

Note No. 17. Non Current Liabilities - Financial Liabilities - Lease Liabilities

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Lease Liabilities (Refer Note 42B)	3,078.13	3,117.06
	3,078.13	**3,117.06**

Note No. 18. Non Current Liabilities - Financial Liabilities - Other Financial Liabilities

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Security Deposit towards Rent	26.29	27.88
	26.29	**27.88**

Note No. 19. Non Current Liabilities - Provisions

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Provision for employee benefits		
(i) Provision for gratuity	1,973.70	5,959.05
(ii) Provision for leave encashment	6,450.75	8,207.81
Decommissioning of Assets in Leased Properties	361.42	334.59
	8,785.87	**14,501.45**

Note No. 20. Non Current Liabilities - Other Non Current Liabilities

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Advance Rent Received	700.08	843.04
	700.08	**843.04**
20.1. Movement:		
As at the beginning of the year	1,028.80	1,156.56
Advance received	42.79	42.79
Released to Statement of Profit and Loss	(185.75)	(170.55)
As at the end of the year	885.84	1,028.80
20.2. Current/Non-Current Bifurcation:		
Current (Refer Note 25)	185.76	185.76
Non Current	700.08	843.04
	885.84	1,028.80

Note No. 21. Current Liabilities - Financial Liabilities - Borrowings

₹ In Lakh

Particulars	Note No.	As at 31st March 2026	As at 31st March 2025
Secured :			
Loans repayable on demand from Banks:			
Working Capital Demand Loan	21.1	3,000.00	-
Overdraft facility (secured against fixed deposit)	21.2	0.76	-
		3,000.76	-
Current maturities of Long-term debt :			
Term loan from Government of India		1,28,273.00	1,28,273.00
Interest on the above converted as loan		48,775.75	48,775.75
		1,77,048.75	1,77,048.75
Interest accrued on above		2,15,114.23	1,91,212.65
Term loan from Government of India - Total Outstanding	21.3	3,92,162.98	3,68,261.40
		3,95,163.74	**3,68,261.40**

21.1. The Company has availed Working Capital Demand Loan (WCDL) from bank, which is repayable on demand and carry an interest rate of 7% p.a. (Previous Year - Nil), linked to the bank's external benchmark lending rate. This loan is secured by a pari passu first charge on the current assets of the Company.

21.2. The overdraft facility is secured by lien on fixed deposit held with the bank, which is repayable on demand and carries an interest rate ranging from 6.98% p.a. to 7.61% p.a. (Previous Year - 8.19% p.a. to 8.20% p.a.) .

Note No. 21. Current Liabilities - Financial Liabilities - Borrowings (continued)

21.3. A plan loan of ₹1,00,000.00 lakh bearing interest @13.50% per annum, which is subject to revision, was released by the Government of India (GOI) on 29th March 2016 to maintain the operations of the Company. As per the order of Government of India, ₹1,00,000.00 lakh along with the earlier loan ₹28,273 lakh and interest outstanding has been converted into a single loan carrying interest @13.50% per annum with one year moratorium. As per the letter dated 12.01.2016, of the Ministry of Finance, GOI, sanctioning the loan, the total outstanding liability of the Company was ₹1,83,672.00 lakh. The Company entered into an agreement with the Department of Fertilizers(DOF), GOI, agreeing to mortgage 408 acres of Company's land to secure repayment of the entire loan together with interest at the rate of 13.50% per annum on the amount outstanding as on 31.03.2017. The loan amount was reconciled and loan outstanding along with interest accumulated (upto 31.03.2017) has been arrived at ₹1,77,048.75 lakh as on 31.03.2017. The loan along with interest is repayable in three or more equated instalments within a period of 5 years ending by 2022. Accordingly, the entire principal amount, being ₹ 1,77,048.75 lakh (Previous year- ₹1,77,048.75 lakh) along with interest accrued thereon of ₹2,15,114.23 lakh (Previous year- ₹1,91,212.65 lakh) has been classified under Current Liabilities-Current maturities of Long term Debt. The outstanding principal and interest as on 31.03.2025 has been confirmed with the balance of Government of India.

Company had submitted a Financial Restructuring proposal to Department of Fertilizers (DoF), Government of India (GoI), during the year 2019-20, seeking approval for the waiver of interest on Government of India loan, conversion of loan amounting to ₹28,273.00 lakh into equity and conversion of loan amounting to ₹1,00,000.00 lakh as interest free loan, repayable in yearly instalments. During the year 2025-26, Company is in discussion with the DoF for a revised financial restructuring proposal including interest rate revision which is pending finalisation. Pending decision with respect to the above, the loan taken from GoI and interest due thereon (computed at the interest rate of 13.50% p.a., which is subject to revision) are accounted and disclosed as per the loan agreement dated March 3, 2016, as done in earlier years.

Note No. 22. Current Liabilities - Financial Liabilities - Lease Liabilities

₹ In Lakh

Particulars	**As at 31st March 2026**	**As at 31st March 2025**
Lease Liabilities (Refer Note 42B)	303.22	297.51
	303.22	**297.51**

Note No. 23. Current Liabilities - Financial Liabilities - Trade Payables

₹ In Lakh

Particulars	**As at 31st March 2026**	**As at 31st March 2025**
Trade payables		
(i) Dues to Micro and Small Enterprises (Refer Note 41)	532.79	438.76
(ii) Others	23,593.79	46,268.03
	24,126.58	**46,706.79**

(Refer Note 40 for Trade Payables Ageing schedule)

23.1. Trade payables, others include ₹290.02 lakh (Previous year ₹290.02 lakh) withheld from transport contractor as per the terms and conditions of the contract, towards non delivery of goods to dealers at the assigned destinations and ₹146 lakh (Previous year ₹146 lakh) withheld from warehouse.(Also Refer Note 7.5, 13.3 & 24.2)

Note No. 24. Current Liabilities - Financial Liabilities -Other Financial Liabilities

₹ In Lakh

Particulars	Note No.	As at 31st March 2026	As at 31st March 2025
Dues to Employees	24.1	841.27	871.53
Trade Deposit from customers		5,607.24	5,561.89
Foreign Currency Liability (Net)		-	47.19
Other liabilities	24.2	12,545.13	12,315.17
		18,993.64	**18,795.78**

24.1.As per the decision of Government of India, during the year 2021-22,Company had framed a scheme for disbursement of wage revision arrears relating to the period from 01.01.1997 to 30.06.2001,in a phased manner, based on the direction of the Honourable Supreme Court of India. Dues to employees include ₹639.16 lakh (Previous year- ₹728.29 lakh) towards 1997 arrears, payable within one year.
24.2.Other liabilities include amount charged from transport contractors as per the terms and conditions of the contract, towards non delivery of goods to dealers at the assigned destinations and amount withheld from warehouse.(Also Refer Note 7.5, 13.3 & 23.1)

Note No. 25. Current Liabilities - Other Current Liabilities

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Statutory Dues	1,168.85	1,170.23
Advance from Customers	5,576.62	4,709.14
Advance Rent Received (Refer Note 20.2.)	185.76	185.76
	6,931.23	**6,065.13**

Note No. 26. Current Liabilities - Provisions

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Provision for employee benefits		
(i) Provision for gratuity	795.87	887.71
(ii) Provision for leave encashment	2,315.84	1,114.28
Provision towards other Contractual Obligations (Refer Note 39)	239.60	239.60
Other provisions	211.62	211.62
	3,562.93	**2,453.21**

26.1.Other provisions include ₹211.62 lakh (Previous year ₹211.62 lakh) (aggregate provision ₹218.50 lakh, net of GST ₹6.88 lakh) provided towards shortage of finished goods noticed in certain warehouses in Karnataka State (Refer Note 7.5)

Note No. 27. Revenue from Operations

₹ In Lakh

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Sale of Products		
Own Products	2,59,273.11	2,04,162.51
Traded Products	53,441.79	38,437.10
	3,12,714.90	2,42,599.61
Subsidy/ Concession on Fertilizers from Government of India	2,57,292.43	1,61,128.91
	2,57,292.43	1,61,128.91
Sale of Services		
Gross Income from Contracts and Other Services	2,368.81	1,362.47
Total Revenue from Operations	**5,72,376.14**	**4,05,090.99**
Sale of Own Products comprises of:		
Factamfos 20-20-0-13	2,05,506.79	1,54,548.68
Ammonium Sulphate	48,979.05	42,032.89
Caprolactam	-	1,616.50
Gypsum	2,202.30	2,713.18
Others	2,584.97	3,251.26
Total	**2,59,273.11**	**2,04,162.51**
Sale of Traded Products:		
Imported Diammonium Phosphate (DAP)	21,320.10	-
Muriate of Potash	11,000.21	22,951.77
Imported Triple Superphosphate (TSP)	10,118.20	-
NPK 15:15:15	5,653.42	14,227.85
Industrial Products/Chemicals	3,568.09	-
Organic Manures	1,041.85	822.15
PDM	341.46	311.78
Single Superphosphate (SSP)	261.96	-
PROM	62.65	68.24
Nano Urea & DAP	38.78	16.74
FOM	35.07	38.57
Total	**53,441.79**	**38,437.10**
Subsidy/ Concession on Fertilizers:		
Factamfos 20-20-0-13	1,60,196.32	1,21,205.23
Ammonium Sulphate	33,056.82	29,522.90
Imported Diammonium Phosphate (DAP)	43,468.16	-
Imported Triple Superphosphate (TSP)	16,608.48	-
Imported Complex Fertilizers	3,365.86	8,208.76
Muriate of Potash	580.16	2,181.31
FOM & PROM	16.63	10.71
Total	**2,57,292.43**	**1,61,128.91**

27.1. Consequent to the implementation of Direct Benefit Transfer (DBT) subsidy scheme, subsidy income on fertilizers is recognised at the time of sale to dealers. However, the subsidy claim is generated at the rate applicable on the date of sale of fertilizers to ultimate beneficiary based on acknowledgement. Considering substantial improvement in the acknowledgement over the period, the Company has reassessed the basis of recoverability and accordingly, subsidy portion of 99% (Previous year 95%) of P&K fertilizer stock with dealers pending sale to ultimate beneficiary as on 31.03.2026, ₹45,238.94 lakh (Previous year ₹24,589.67 lakh), has been considered in Revenue from Operations- Refer Notes 11.1. & 54. Further, ₹23,815.77 lakh (Previous year - Nil) has been recognised as per the operational guidelines issued by Government of India, over and above NBS subsidy rates applicable on imported Di-ammonium Phosphate and Triple Super Phosphate.

Note No. 28. Other Income

₹ In Lakh

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Interest Income on Financial Assets carried at Amortised Cost :		
On deposits with banks	16,168.53	19,928.82
On loans, advances, claims, overdues	117.87	113.24
Dividend Income from Equity Investment measured at Fair Value through OCI:		
Other than joint venture	145.22	48.60
Other non-operating income:		
Rent & Compensation towards right to use	364.83	366.36
Excess provisions written back	59.75	5.09
Profit on Sale of Property, Plant and Equipment	42.73	44.24
Transfer from deferred Government grants: On EEC project	0.94	0.94
Miscellaneous income	731.97	1,137.33
	17,631.84	**21,644.62**

Note No. 29. Cost of Materials Consumed

₹ In Lakh

Particulars	Note No.	Year ended 31st March 2026	Year ended 31st March 2025
Raw Material	57	3,39,910.32	2,22,424.86
Packing Material		4,333.12	3,534.24
		3,44,243.44	**2,25,959.10**

29.1. The physical verification of raw materials has been carried out on or around 31st March 2026. The differences over book figures in the case of raw material for the financial year 2025-26 have been adjusted in consumption (Excess(-) / Shortage). Current year ₹ (-) 2,986.11 lakh (Previous year ₹ (-)1,651.66 lakh).

29.2. VAT incurred on RLNG procurement during the year 2025-26, ₹ 5,120.40 lakh (Previous year ₹ 4,714.83 lakh), has been accounted as consumption of raw material/fuel (Refer Note No. 13.1(i)).

Note No. 30. Purchases of Stock-in-Trade

₹ In Lakh

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Complex Fertilizers/DAP/TSP/Muriate of Potash/ Organic Manures etc	1,19,226.79	47,752.78
	1,19,226.79	**47,752.78**

Note No. 31. Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress

₹ In Lakh

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Opening stock		
Finished Goods	36,617.64	65,866.68
Stock-in-Trade	10,056.67	2,617.11
Work-in-Progress	14,717.51	6,570.64
	61,391.82	75,054.43
Closing stock		
Finished Goods	46,489.89	36,617.64
Stock-in-Trade	24,084.65	10,056.67
Work-in-Progress	8,811.57	14,717.51
	79,386.11	61,391.82
Changes in Inventories: (Increase)/ Decrease	**(17,994.29)**	**13,662.61**

Note No. 32. Employee Benefits Expense

₹ In Lakh

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Salaries and Wages	22,490.24	20,222.55
Contribution to Provident Fund	2,035.62	1,937.55
Leave Encashment (Net of Provision)	1,754.91	2,208.02
Gratuity	1,488.08	1,074.66
Staff Welfare Expenses	2,168.34	2,024.84
	29,937.19	**27,467.62**

32.1. During the year, the Company increased the ceiling of gratuity from ₹ 20 lakh to ₹ 25 lakh, with effect from 01.10.2025, for Board level executives, managerial employees and workmen on the permanent rolls of the Company. The Company has recognised an additional employee benefit expense of ₹ 577.44 lakh on account of this.

32.2. The Government of India has notified the Code on Social Security, 2020 and other labour codes, which became effective during the year. Pursuant to the same, the Company has recognised an additional employee benefit expense of ₹ 88.14 lakh, on account of change in the eligibility criteria for gratuity in respect of fixed term employees.

32.3. Remuneration to Directors, including retirement benefits paid during the year - Refer Note 47C(ii)

32.4. Refer Note 49 for employee benefits expense disclosures in accordance with Ind AS 19.

Note No. 33. Finance Costs

₹ In Lakh

Particulars	Note No.	Year ended 31st March 2026	Year ended 31st March 2025
Interest on Financial Liabilities carried at Amortised Cost			
Interest on loans from the Government of India	21.3	23,901.58	23,901.58
Interest - Others		777.30	358.53
Finance Cost on Lease Liability		265.54	267.90
Unwinding of Discount on Deposits		1.59	1.48
Other Finance Costs		26.82	24.83
		24,972.83	**24,554.32**

Note No. 34. Depreciation and Amortization Expense

₹ In Lakh

Particulars	Note No.	Year ended 31st March 2026	Year ended 31st March 2025
Depreciation on Property Plant and Equipment	2	3,401.13	3,481.39
Depreciation on Right-of-Use Assets	2C	163.22	169.03
Amortisation of Intangible Assets	2D	5.29	11.39
		3,569.64	**3,661.81**

Note No. 35. Other Expenses

₹ In Lakh

Particulars	Note No.	Year ended 31st March 2026	Year ended 31st March 2025
Consumption of Stores and Spare Parts		4,365.15	3,731.17
Power and Fuel	29.2	37,923.00	35,855.94
Rent		632.67	1,165.67
Repairs and Maintenance to Buildings		358.73	385.10
Repairs and Maintenance to Machinery		4,958.75	4,191.11
Insurance		492.29	392.19
Rates and Taxes		119.78	125.57

₹ In Lakh

Particulars	Note No.	Year ended 31st March 2026	Year ended 31st March 2025
(Gain)/ Loss on Exchange Rate Variation (net)		466.41	480.80
Material and Other Direct Charges on Contracts		1,660.00	886.14
Auditors' Fees and Expenses	35.1	22.23	25.61
Freight, Handling and Other Charges		30,094.93	25,444.39
Provision for Doubtful Receivables & Advances		85.01	54.29
Damages/ Shortages/ (Excess) of Stores, Spares & Products (Net)	35.2	0.84	1.07
Provision for Obsolescence of Stores (Net)		(436.55)	163.11
Research and Development Expenditure	35.3	155.67	57.41
CISF Expenses (including salaries)		3,308.23	3,111.04
Directors' Sitting Fees		6.80	6.00
Loss on Property, Plant and Equipment Sold/ Written off		0.61	0.54
Expenses towards Corporate Social Responsibility	35.5	472.28	668.47
Miscellaneous Expenses	35.4	6,555.75	5,057.22
		91,242.58	81,802.84
Less :Allocated Expenses [net of income from inter-divisional jobs of ₹1,516.33 lakh (Previous year ₹1,299.32 lakh)]		(1,198.99)	(1,038.08)
		90,043.59	**80,764.76**

Notes:

35.1. Payments to the auditor as:

₹ In Lakh

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
(a) auditor	12.00	13.40
(b) for other services	6.85	8.64
(c) for reimbursement of expenses	1.51	3.12
Total	**20.36**	**25.16**

35.2. Differences noticed (Excess(-)/Shortage) on perpetual verification of stores and spares compared to book records have been adjusted in the books of accounts, for an amount of ₹0.84 lakh (Previous year ₹2.06 lakh).

35.3. Research and Development Expenditure includes expenditure towards funding of ICAR project ₹89.22 lakh (Previous year - Nil), salary ₹62.65 lakh (Previous year ₹54.50 lakh), depreciation ₹2.39 lakh (Previous year ₹0.73lakh) and chemicals & stores ₹1.41 lakh (Previous year ₹2.18 lakh).

35.4. Miscellaneous Expense include ₹817.89 lakh (Previous year - Nil) incurred towards the cost of PoS machine distributed by the Company under Direct Benefit Transfer Scheme framed by the Government of India and Directors' travel expenses amounting to ₹10.67 lakh (Previous year ₹11.81 lakh).

35.5. Expenses towards Corporate Social Responsibility

The Company is liable to spend during the financial year 2025-26, ₹472.28 lakh (Previous year - ₹668.47 lakh), on Corporate Social Responsibility, being 2% of the average net profits of the Company made during the three immediately preceding financial years, as per section 198 of the Companies Act 2013. Company has spent an amount of ₹36.33 lakh (Previous year - ₹125.12 lakh) towards Corporate Social Responsibility projects during the current financial year (excluding the amount spent towards the ongoing projects of the previous years). An amount of ₹245.90 lakh (Previous year - ₹543.35 lakh) has been utilised from the 'excess CSR spent' amount brought forward from the previous years. The remaining unspent amount as on 31.03.2026 of ₹190.05lakh , earmarked for identified projects have been transferred to a separate bank account named 'Unspent CSR Account 2025-26' on 29.04.2026, as per the provisions of Section 135 (6) of the Companies Act, 2013.

A. The details of CSR expenses during the year are as under:

₹ in lakh

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
(i) Amount required to be spent by the Company during the year (as approved by the Board)	472.28	668.47
(ii) Amount of CSR expenditure spent towards approved projects of the year (on purposes other than construction / acquisition of any asset)	36.33	125.12
(iii) Amount utilised from the 'excess CSR spent' brought forward from previous year	245.90	543.35
(iv) Provision made towards Ongoing projects of the year	190.05	-
(v) Shortfall/ (Excess) at the end of the year (i) - (ii) - (iii)-(iv)	-	-

B. Nature of CSR Activities for the year:

₹ in lakh

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Promoting Education	17.29	74.41
Promotion of Health Care	9.00	35.68
Making available Safe Drinking Water	8.46	7.21
Ensuring Environmental Sustainability (maintaining quality of soil)	1.58	-
Rural Development Projects	-	7.82
Total	**36.33**	**125.12**

C. Details of Related Party Transactions - NA (Previous Year - NA)

D. Unspent Amount - Provision towards Ongoing Projects (2025-26)

(Remaining unspent amount earmarked for identified projects have been transferred to a separate bank account named 'Unspent CSR Account 2025-26' on 29.04.2026)

₹ in lakh

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
As at the beginning of the year	-	-
Amount required to be spent during the year	472.28	-
Amount spent during the year	(36.33)	-
Amount utilised from the 'excess CSR spent' brought forward from previous year	(245.90)	-
As at the end of the year	**190.05**	**-**

E. Unspent Amount - Provision towards Ongoing Projects (2022-23)

(Amount earmarked for identified projects have been maintained in a separate bank account)

₹ in lakh

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
As at the beginning of the year	232.21	300.61
Amount spent during the year	(227.74)	(68.40)
Amount re-appropriated from excess spent on ongoing projects during previous years	(4.47)	-
As at the end of the year	**-**	**232.21**

F. Excess Expenditure Carried Forward from Previous Years

₹ in lakh

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
As at the beginning of the year	250.37	792.77
Amount required to be spent during the year	(472.28)	(668.47)
Amount spent during the year	36.33	125.12
Provision made towards Ongoing projects of the year	190.05	-
Amount re-appropriated from excess spent on ongoing projects during previous years	(4.47)	0.95
As at the end of the year	**-**	**250.37**

Note No. 36. Exceptional Items (Income /(Expenses))

₹ In Lakh

Particulars	Note No.	Year ended 31st March 2026	Year ended 31st March 2025
Excess Regasification Charges Receivable	36.1	-	2,461.45
		-	**2,461.45**

36.1. Refund receivable towards excess regasification charges paid by the Company in respect of Regasified Liquified Natural Gas (RLNG) procurement for the period May 2019-May 2020 had been disclosed as Contingent Asset in the previous years. Based on the communications received from suppliers of RLNG (Regasified Liquified Natural Gas), refund of excess regasification charges of ₹2,461.45 lakh had become virtually certain during the year 2024-25. Accordingly, the same has been accounted as exceptional item during the financial year 2024-25 in the Statement of Profit and Loss in accordance with Ind AS 10. The amount has been received/settled during the year 2025-26.

Note No. 37. Earnings per Equity Share

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Profit / (Loss) after Tax (₹in lakh)	(3,960.02)	4,123.20
Number of Equity Shares	647071974	647071974
Face Value per Share (₹)	10.00	10.00
Basic/ Diluted Earnings per Equity Share (₹)	**(0.61)**	**0.64**

Note No. 38. Petrochemical Plants:

The Caprolactam plant is kept under preservation mode due to economic unviability. Other segments of the Petrochemical plants continue to operate for the production of Ammonium Sulphate through the direct neutralization method and Nitric Acid. The unabsorbed fixed cost incurred in relation to preservation and maintenance of the plants during the year have been recognised in the Statement of Profit and Loss, amounting to ₹ 4,207.05 lakh (Previous year ₹ 4,425.84 lakh).

39 Discontinuation of Interest in Joint Venture

FACT-RCF Building Products Ltd (FRBL):- Incorporated in the year 2008 as a Joint Venture Company with Rashtriya Chemicals and Fertilizers Limited (RCF) for manufacture of rapid building materials from Gypsum at Kochi.

Owing to the Company's share of losses exceeding its interest in the joint venture, the Company had not been recognising the share of losses, which amounts to ₹11,058.19 lakh cumulatively upto the year ended 31.03.2025.

The Hon'ble National Company Law Tribunal (NCLT), Kochi Bench, vide its order dated 11.01.2024 and 28.01.2025, has appointed Resolution Professionals (RP) for initiating Corporate Insolvency Resolution Proceedings against FACT-RCF Building Products Ltd (FRBL), in response to a petition filed by a financial creditor of FRBL, as per Insolvency & Bankruptcy Code, 2016. Accordingly, the powers of the Board of Directors of FRBL were superseded. Subsequently, during the year, the NCLT, Kochi Bench approved a Resolution Plan, vide its order dated 26.09.2025, according to which the entire paid-up share capital of FRBL stands cancelled. Further, as per the terms of the Resolution Plan, 2,50,000 equity shares of ₹10 each are proposed to be allotted to the Company. Being related party, the Plan does not propose any payment to the Company. Since the leased land as per Note No. 2B.3. has been incorporated as an asset in the Resolution Plan, the Company has filed an appeal against this NCLT order approving the Resolution Plan and the matter is currently pending adjudication before the National Company Law Appellate Tribunal (NCLAT), Chennai.

Pursuant to the approval of the Resolution Plan,

(i) the Company has ceased to have joint control over FRBL. Accordingly, in line with the requirements of Ind AS 111 – Joint Arrangements and Ind AS 28 – Investments in Associates and Joint Ventures, the Company has discontinued the application of the equity method for accounting of investment and ceased consolidation of its interest in FRBL from the financial year 2025-26. (Note No 3A).

(ii) the Company's existing investment in FRBL stands cancelled. Pending adjudication of the appeal filed against the Resolution Plan, the Company continues to carry its investment in the book of accounts (Note No 3B). The Company had fully impaired its investment in FRBL in earlier years and accordingly, there is no impact on the Statement of Profit and Loss for the current year.

The proposed 2,50,000 equity shares of ₹10 each as per the terms of the approved Resolution Plan has not been accepted by the Company, pending adjudication of the appeal challenging the approved Resolution Plan and accordingly, the value of investment which amounts to ₹25 lakh has not been recognised in the book of accounts (Note No 3B).

(iii) the Company's obligation to supply gypsum to FRBL, undertaken in connection with maintaining the 50:50 equity contribution between the Company and RCF in FRBL, is presently not expected to crystallise and accordingly, the related provision is no longer expected to be required. However, pending adjudication of the appeal filed against the Resolution Plan, the Company has, as a matter of prudence, continued to retain the provision amounting to ₹239.60 lakh in the books of account (Note No 26).

(iv) the Company's right to receive the outstanding dues from FRBL stands extinguished. Pending adjudication of the appeal filed against the Resolution Plan, the Company continues to carry its outstanding dues from FRBL in the books, which are fully impaired (Note No 4 & 8). Accordingly, there is no impact on the Statement of Profit and Loss for the current year.

Investment properties of the Company include land leased to FRBL under the joint venture arrangement for which related matters are described in Note 2B.3.

40 Trade Payables Ageing Schedule

₹ In Lakh

Particulars	As at 31st March 2026					
	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	532.08	-	-	-	-	**532.08**
(ii) Others	23,232.52	-	-	-	-	**23,232.52**
(iii) Disputed dues – MSME	-	-	0.71	-	-	**0.71**
(iv) Disputed dues - Others	-	-	3.07	59.13	299.07	**361.27**
Total	**23,764.60**	-	**3.78**	**59.13**	**299.07**	**24,126.58**

₹ In Lakh

Particulars	As at 31st March 2025					
	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	437.04	-	-	-	-	**437.04**
(ii) Others	45,906.75	-	-	-	-	**45,906.75**
(iii) Disputed dues – MSME	-	1.72	-	-	-	**1.72**
(iv) Disputed dues - Others	-	3.07	59.13	3.48	295.60	**361.28**
Total	**46,343.79**	**4.79**	**59.13**	**3.48**	**295.60**	**46,706.79**

41 Disclosure required for Micro and Small Enterprises

₹ In Lakh

Sl No.	Particulars	As at 31st March 2026	As at 31st March 2025
1	Principal amount remaining unpaid *	-	-
2	Interest due thereon	-	-
3	Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act,2006 ,along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-

₹ In Lakh

Sl No.	Particulars	As at 31st March 2026	As at 31st March 2025
4	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 Micro, Small and Medium Enterprises Development Act, 2006.	-	-
5	Interest accrued and remaining unpaid	-	-
6	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

*** Undisputed Amount due and unpaid as at the year end**

42 Operating Leases (Disclosure as per Ind AS 116)

A. Leases as Lessor

The Company leases out its investment property (disclosed in Note No.2B) on operating lease basis.

(i) Maturity Analysis of Lease Receivables

At 31 March, the future minimum lease receivables under non-cancellable operating leases are as follows:

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Within one year	124.69	124.69
Between two and five years	348.93	398.93
More than five years	558.15	632.84
	1,031.77	**1,156.46**

(ii) Amounts recognized in the Statement of Profit and Loss

₹ In Lakh

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Lease Rental Income	124.70	124.72
	124.70	**124.72**

B. Leases as Lessee

The Lease Liability is measured at the present value of remaining lease payments at the date of initial application and Right-of-Use asset has been recognized at an amount equal to Lease Liability adjusted by an amount of any prepaid expenses. Under Ind AS 116 "Leases", at commencement of lease, the Company recognizes Right-of-Use asset and corresponding Lease Liability, at State Bank of India 1 year MCLR. Right-of-Use asset is depreciated over lease term on systematic basis and interest on Lease Liability is charged to Statement of Profit and Loss as Finance cost.

Recognition of Right-of-Use Asset and corresponding Lease Liability, as per Ind AS 116, has been made in respect of the property taken for lease (Operating lease) for the purpose of storage and handling of Raw Materials, at Willingdon Island.

(i) The detailed breakup of Right-of-Use assets (by class of underlying assets) is disclosed in Note No. 2C.

(ii) The other details pertaining to leases are as follows:

₹ In Lakh

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Amounts recognised in the Statement of Profit and Loss:		
Depreciation on Right-of-Use Assets	163.22	169.03
Interest on Lease Liabilities	265.54	267.90
Expenses relating to Short Term Leases	88.32	168.23
Expenses relating to Leases of Low Value Items	77.48	74.55
Expenses relating to Variable Lease Payments (not included in measurement of lease liabilities)	466.87	922.89
Maturity Analysis of Lease Liabilities:		
Up to 1 year	319.58	313.56
1-3 years	652.65	640.94
3-5 Years	671.25	657.97
More than 5 years	4,872.06	5,187.03
Total Contractual Cash Flows	**6,515.54**	**6,799.50**
Other Information:		
Total Cash Outflow for Leases	315.06	316.96
Income from Subleasing Right-of-Use assets	Nil	Nil

43 Fair Value Hierarchy

The management has assessed that the fair value of its financial assets and liabilities like cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following methods and assumptions were used to estimate the fair values for the given below financial assets.

a) Investment in Unquoted Equity Shares:

The fair values of the unquoted equity shares have been estimated using a Discounted Cash Flow (DCF) model. The Company avails the services of an external professional valuer for valuation of the same and the fair values so reported are based on a valuation report received from the investment valuation expert.

b) Derivatives not designated as hedges

Foreign exchange forward contracts if entered into, are valued using valuation techniques, which employs the use of market observable inputs (i.e. based on inputs/statement of position received from banks).

c) Investment Properties

The fair value of the investment properties are based on the latest Gazette notification on fair value of land issued by the Government of Kerala (SRO No. 420/2023 dated 25/03/2023) .

Fair value hierarchy is detailed as below:

₹ In Lakh

Particulars	As at 31st March 2026		As at 31st March 2025	
	Significant observable inputs		Significant observable inputs	
	Level 2	Level 3	Level 2	Level 3
Financial Assets				
Investment in Unquoted Equity Shares of:				
Indian Potash Limited		17,109.14		14,402.84
Travancore Cochin Chemicals Ltd		286.09		280.98
Kerala Enviro Infrastructure Limited		1,145.88		1,122.45
Foreign Currency Asset on Forward Exchange Contract (Net)	16.23		-	
Financial Liabilities				
Foreign Currency Liability on Forward Exchange contract (Net)	-		47.19	
Assets for which Fair values are disclosed				
Investment Properties	3,750.69		3,750.69	

Level 1: Level 1 hierarchy is for financial instruments with quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges are to be valued using the closing price as at the reporting period. The mutual funds are to be valued using the closing NAV. Company do not have any such investment, as on the reporting date of current year and previous year.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in Level 3.

44 Financial Instrument Classification

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
A. FINANCIAL ASSETS		
(i) Financial Assets at Amortised Cost		
Trade Receivables	35,219.69	28,347.61
Cash and Cash Equivalents	16,892.67	21,833.67
Other Bank Balances	1,50,176.76	2,55,902.95
Other Financial Assets	85,301.69	26,905.25
	2,87,590.81	**3,32,989.48**
(ii) Financial Assets at Fair Value through Other Comprehensive Income:		
Equity Investments	**18,542.13**	**15,807.29**
(iii) Financial Assets at Fair Value through Profit and Loss Statement:		
Foreign Currency Asset on Forward Exchange Contract (Net)	**16.23**	-
TOTAL FINANCIAL ASSETS (i) + (ii) + (iii)	**3,06,149.17**	**3,48,796.77**
B. FINANCIAL LIABILITIES		
(i) Financial Liability at Amortised Cost		
Borrowings	3,95,163.74	3,68,261.40
Lease Liabilities	3,381.35	3,414.57
Trade Payables	24,126.58	46,706.79
Other Financial Liabilities	19,019.93	18,776.47
	4,41,691.60	**4,37,159.23**
(ii) Financial Liabilities at Fair Value through Profit and Loss Statement:		
Foreign Currency Liability on Forward Exchange contract (Net)	-	**47.19**
TOTAL FINANCIAL LIABILITIES (i) + (ii)	**4,41,691.60**	**4,37,206.42**

45 Financial Risk Management

The Company's activities are exposed to market risk, liquidity risk and credit risk.

Thisnote explains the sources of risk which the Company is exposed to and how the Company manages the risk in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortized cost.	Ageing analysis, Credit Analysis, Post Dated Cheques and Security Deposit.	Diversification of Bank Deposits, Credit Limits , Bank Guarantees, Post Dated Cheques and Security Deposit.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Monitoring of Foreign Currency rates	Forward Foreign exchange contracts based on market trends

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 case of all the financial instruments covered below is restricted to their respective carrying amount.

(i) Trade and Other Receivables

Credit risk in respect of trade and other receivables is managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to allow credit terms in the normal course of business.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹35,219.68 lakh (Previous year ₹28,347.61 lakh) of which ₹34,348.07 lakh (Previous year ₹25,829.42 lakh) is due from Government of India relating to subsidy receivable. Trade receivables mainly constitute subsidy receivable from the Government of India and receivable from sale of petrochemical products.

Expected Credit Loss Assessment for Trade and Other Receivables

The Company has been consistently following a policy of creating 100% provision for the unsecured portion of the trade receivables that are more than three years old, except for subsidy receivables from Government of India, wherein allowance for loss is made after analysis of possibility of realisation.

The following table provides information about the exposure to credit risk and the provisions made:

₹ In lakh

Particulars	As at 31st March 2026	
	Total receivables	Provision for doubtful receivables
Trade Receivables	2,901.50	(2,029.88)
Subsidy Receivable	34,756.45	(408.38)
Total	**37,657.95**	**(2,438.26)**

₹ In lakh

Particulars	As at 31st March 2025	
	Total receivables	Provision for doubtful receivables
Trade Receivables	4,485.89	(1,967.70)
Subsidy Receivable	26,240.75	(411.33)
Total	**30,726.64**	**(2,379.03)**

The movement in the loss allowance in respect of trade and other receivables during the year was as follows:-

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Provision at the beginning of the year	2,379.03	20,608.47
Provisions released during the year	(14.09)	(18,260.31)
Provisions made during the year	73.32	30.87
Provision at the end of the year	**2,438.26**	**2,379.03**

(ii) Cash and Cash equivalents and Other Bank Balances

The Company held cash and cash equivalents and other bank balances of ₹1,67,069.43 lakh at the reporting date (Previous year- ₹ 2,77,736.62 lakh). The cash equivalents are held with banks with good credit ratings and financial position. Also, the Company invests its short term surplus funds in bank fixed deposits, which carry no/low market risks for short duration and therefore, does not expose the Company to credit risk.

B. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk is managed by Company through effective fund management. Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of credit facilities to meet obligations when due. Due to the dynamic nature of the underlying businesses, treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

The following are the remaining contractual maturities of significant financial liabilities at the reporting date.

(i) Maturity Analysis of Significant Financial Liabilities

₹ In Lakh

Particulars	As at 31st March 2026		
	Contractual Cash Flows		
	Up to 1 year	1-5 years	Total
Government of India Loan *	4,16,064.56	-	4,16,064.56
Total	**4,16,064.56**	-	**4,16,064.56**

₹ In Lakh

Particulars	As at 31st March 2025		
	Contractual Cash Flows		
	Up to 1 year	1-5 years	Total
Government of India Loan *	3,92,162.98	-	3,92,162.98
Total	**3,92,162.98**	-	**3,92,162.98**

*The loan from Government of India along with interest is repayable in three or more equated installments within a period of 5 years ending by 2022.During the year 2025-26,Company is in discussion with the DoF for a revised financial restructuring proposal including interest rate revision, which is pending finalisation. Pending decision with respect to the above, the loan taken from GoI and interest due thereon (computed at the interest rate of 13.50% p.a., which is subject to revision) are accounted and disclosed as per the loan agreement dated March 3, 2016,as done in earlier years. The management expects restructuring of the loan, whereby the Government shall grant sufficient time for the repayment of the loan and interest due thereon. Accordingly, the Company can manage the immediate liquidity requirement.

(ii) Financing Arrangements

The Company has sufficient funds for its business/operational activities. The following is the undrawn fund based borrowing facilities at the end of the reporting period:

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Expiring within one year (Bank Overdraft/ CC Limit)	70,589.10	33,900.00
LC Bill discounting limit	15,000.00	15,000.00

The credit facilities of banks are subject to compliance with sanctioned terms & conditions. These credit facilities have an average maturity of one year. Besides the above, Company has Non Fund Based Working Capital Arrangement with banks on the security of various assets of the Company including lien on the Term Deposits.

C. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of the following types of risk:currency risk,interest rate risk,commodity rate risk and other price risks, such as equity price risk.

(i) Currency Risk

The Company undertakes transactions denominated in foreign currencies and consequently, exposure to the financial risk of fluctuations in foreign currency rates arises. The Company has a Foreign Exchange Risk Management Policy in place entailing parameters for hedging its foreign currency exposures. The Company manages its exchange rate exposures within the approved parameters of the hedging policy through forward contracts

The Company has outstanding forward contract of ₹7,908.07 lakh as at the reporting date (Previous year ₹34,832.42 lakh) which has been undertaken to hedge its exposure to trade payables.

(a) Exposure to Currency Risk:

The details of foreign currency balances which are not hedged as at the Balance Sheet date are as below:

Particulars	As at 31st March 2026		As at 31st March 2025	
	Foreign Currency	Indian Rupee	Foreign Currency	Indian Rupee
	(In Lakh)	(In Lakh)	(In Lakh)	(In Lakh)
Trade Payable	-	-	-	-

(b) Sensitivity Analysis

A reasonably possible strengthening (weakening) of the USD, JPY or EUR against INR at reporting date would have affected the measurement of financial instruments denominated in foreign currencies and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	As at 31st March 2026		As at 31st March 2025	
	% Increase/ Decrease	Effect in Profit before Tax	% Increase/ Decrease	Effect in Profit before Tax
		₹ In Lakh		₹ In Lakh
USD	+3%	-	+3%	-
USD	-3%	-	-3%	-

(ii) Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

(a) Exposure to Interest Rate Risk:

The Company's investments are in fixed deposits with scheduled public and private sector banks wherein the interest rates are fixed, as on the reporting date.

The Company has fund based borrowings with banks. These borrowings, as on the reporting date, are on a fixed rate of interest and therefore, are not subject to the interest rate risk. The interest rate on the Company's borrowings from Government of India is subject to revision. During the year 2025-26, Company is in discussion with the DoF for a revised financial restructuring proposal including interest rate revision, which is pending finalisation.

(b) Interest Rate Sensitivity Analysis:

The interest rate sensitivity analysis on Company's borrowings from Government of India with a 50 basis point increase or decrease is given below:

Particulars	As at 31st March 2026			
	Balance	Interest Rate	% Increase/ Decrease	Effect in Profit before Tax
	₹ In Lakh			₹ In Lakh
Interest on loan from the Government of India	1,77,048.75	13.50%	0.50%	(885.24)
Interest on loan from the Government of India	1,77,048.75	13.50%	-0.50%	885.24

Particulars	As at 31st March 2025			
	Balance	Interest Rate	% Increase/ Decrease	Effect in Profit before Tax
	₹ In Lakh			₹ In Lakh
Interest on loan from the Government of India	1,77,048.75	13.50%	0.50%	(885.24)
Interest on loan from the Government of India	1,77,048.75	13.50%	-0.50%	885.24

(iii) Commodity Rate Risk

The Company's profitability gets affected by the price differential (also known as margin) between prices of products (output) and the price of the raw materials used in production (input).

Company has entered into long term agreements with suppliers of major raw materials like Regasified Liquified Natural Gas (RLNG), Rock Phosphate and Sulphur, to mitigate the fluctuation in market price.

(iv) Price Risk

The Company’s exposure to equity investments price risk arises from investments held by the Company and classified in the financial statements at fair value through OCI. The Company intends to hold these investments for long-term for better returns and price risk will not be significant from a long term perspective.

Exposure to Price Risk:

₹ In Lakh

Particulars	Effect on Other Comprehensive Income			
	As at 31st March 2026		As at 31st March 2025	
	Strengthening	Weakening	Strengthening	Weakening
1% movement in				
Investment in Kerala Enviro Infrastructure Ltd	11.46	(11.46)	11.22	(11.22)
Investment in Travancore Cochin Chemicals Ltd	2.86	(2.86)	2.81	(2.81)
Investment in Indian Potash Ltd	171.09	(171.09)	144.03	(144.03)

46 Capital Management

The Company's primary objective is to maximize the shareholders' value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. Presently, the Company sources 100% of its capex requirement from the internal accruals.

The Company, being a Central Public Sector Undertaking, is governed by the guidelines of the Department of Investment & Public Asset Management (DIPAM), which specifies the minimum percentage of dividend to be declared. Taking into consideration the future capex requirements, the Company considers the payment of dividend at the appropriate rates.

47 Related Party Transactions (Disclosure under Ind AS 24)

A. Transactions with Entities under the Control of the Same Government:

Since Government of India owns 90% of the Company's equity share capital (under the administrative control of Ministry of Chemicals and Fertilizers), the disclosures relating to transactions with the Government and other Government controlled entities have been reported in accordance with para 26 of Ind AS 24.

Certain transactions are carried out with other government related entities for purchase of Gases, for procurement of Raw Materials / Finished Goods, Assets / Spare Parts from original equipment manufacturers, which are significant in terms of value, the details of which are as under:

₹ In Lakh

Sl No.	Name of Entity	Nature of Transaction	Year ended 31st March 2026	Year ended 31st March 2025
1	Indian Oil Corporation Ltd	Procurement of Gas / Petroleum Products	1,07,868.63	98,514.47
2	Bharat Petroleum Corporation Ltd	Procurement of Petroleum Products/ Regasification Charges	41,217.90	11,488.18
3	Mangalore Refinery and Petrochemicals Ltd	Procurement of Petroleum Products/Sulphur/Benzene	8,748.67	3,554.87
4	Rashtriya Chemicals And Fertilizers	Procurement of Phosphoric Acid	7,752.15	-
5	GAIL (India) Ltd	Gas Transmission Charges/ Regasification Charges	5,119.96	3,298.41
6	Hindustan Petroleum Corporation Ltd	Procurement of Petroleum Products	238.33	170.76
7	Hindustan Insecticides Ltd	Procurement of Consumables/ Spare Parts	-	114.13
8	Brahmaputra Valley Fertilizers Corporation Ltd (BVFCL)	Sale of Fertilisers	11,824.54	4,949.71
9	Hindustan Urvarak & Rasayan Limited	Sale of Fertilisers	4,462.57	11,076.74
10	Hindustan Organic Chemicals Limited	Sale of Chemicals	61.76	-
11	Rashtriya Chemicals and Fertilisers Ltd	Principal Repayment of Intercorporate Loan	-	510.00

₹ In Lakh

Sl No.	Name of Entity	Nature of Transaction	Year ended 31st March 2026	Year ended 31st March 2025
12	Rashtriya Chemicals and Fertilisers Ltd	Interest on Intercorporate Loan	-	26.29
13	Bharat Petroleum Corporation Limited	Services Provided	94.58	271.65
14	Hindustan Organic Chemicals Limited	Services Provided	12.98	-
15	Hindustan Petroleum Corporation Ltd	Services Provided	-	49.53
16	Indian Oil Corporation Ltd	Services Provided	-	22.98
17	Hindustan Organic Chemicals Limited	Services Provided	-	25.19
18	Bharat Heavy Electricals Ltd	Procurement of Assets/Spare parts	148.94	256.06
19	Bharat Earth Movers Ltd	Procurement of Assets/Spare parts	22.88	20.40
20	Hindustan Insecticides Ltd	Rental Expense	20.74	-
21	Indian Oil Corporation Limited	Rental Income	8.60	17.07
22	Hindustan Insecticides Ltd	Rental Income	1.50	1.50
23	Cochin Shipyard Limited	Rental Income	0.90	-
24	Balmer Lawrie & Co Ltd	Services Received	77.18	26.58
25	Kochi Salem Pipeline Pvt Ltd.	Lease of Property	64.90	64.90
26	GAIL (India) Ltd	Lease of Property	13.69	13.69

The above referred transactions have been carried out on arm's length basis with the said entities.

B. Associates & Joint Ventures:

Pursuant to the approval of the Resolution Plan by the Hon'ble National Company Law Tribunal (NCLT) under the Insolvency and Bankruptcy Code, 2016,in respect of FACT-RCF Building Products Ltd (FRBL),the Company has ceased to have joint control over FRBL during the year. The Company has filed an appeal against the NCLT order approving the Resolution Plan and the matter is currently pending adjudication before the National Company Law Appellate Tribunal (NCLAT) (Note No. 39).

Transactions with the above referred party - Nil (Previous Year - ₹ 0.46 lakh)

C. Key Management Personnel

(i) Name of Key Management Personnel

1 Shri. S Sakthimani - Chairman & Managing Director (from 02.02.2026)
- Director (Finance) & Chief Financial Officer (from 08.03.2021)
2 Shri S C Mudgerikar - Chairman & Managing Director (from 23.02.2024 till 31.12.2025)
3 Shri. Anupam Misra - Director (Marketing) (from 14.07.2020)
- Chairman & Managing Director (from 05.01.2026 till 01.02.2026)
4 Dr.Jayachandran K - Director (Technical) (from 03.03.2023)
5 Smt.Susan Abraham - Company Secretary (from 15.07.2022)

(ii) Remuneration to Key Management Personnel :

₹ In Lakh

Sl No	Particulars	Short Term Employee Benefits		Termination benefits**		Other long-term benefits/ Share-based payments/ Post-term	
		2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
1	Shri.S.Sakthimani- Chairman & Managing Director (from 02.02.2026) and Director (Finance) & Chief Financial Officer (From 08.03.2021)	55.87	52.63	0.00	0.00	0.00	0.00
2	Shri Kishor Rungta, Chairman and Managing Director (From 02.02.2019 to 01.02.2024)	0.00	0.00	0.00	34.60	0.00	0.00
3	Shri.Anupam Misra, Director (Marketing) (from 14.07.2020) and Chairman & Managing Director (from 05.01.2026 till 01.02.2026)	56.62	47.90	0.00	0.00	0.00	0.00
4	Dr.Jayachandran.K, Director (Technical) (From 03.03.2023)	62.53	49.50	0.00	0.00	0.00	0.00
5	Smt.Susan Abraham, Company Secretary (From 15.07.2022)	32.10	30.25	0.00	0.00	0.00	0.00
		207.12	**180.28**	**0.00**	**34.60**	**0.00**	**0.00**

** On payment basis

The Whole Time Directors have been allowed the use of company car and for private journey upto a ceiling of 9000 kms per year, on payment as prescribed by the Government.
Gratuity and leave encashment benefit accrued to the Directors have not been disclosed as the contribution payable has been provided in the accounts and separate figures are not ascertainable.

D. Transactions with other entities- where Directors are interested:

(i) **Rashtriya Chemicals and Fertilisers Limited (RCF)** – Owing to Shri S. C. Mudgerikar, Chairman & Managing Director of RCF, holding additional charges as Chairman & Managing Director of the Company as per directives of DoF from 23rd February, 2024 till 31.12.2025.

Transactions during the year – Refer Note 47.A

(ii) **Madras Fertilizers Limited (MFL)** - Owing to Dr Jayachandran K, Director (Technical), holding additional charges as Director (Technical) of MFL as per directives of DoF from 1st May, 2023.

Transactions during the year – Nil (Previous year –Nil)

E. Other Related Parties

(i) Relationship

Name of Entity	Nature of Relationship
(a) The FACT Employees Provident Fund	To manage the provident fund contribution in respect of the employees of the Company.
(b) FACT Cochin Division Employees Provident Fund Trust	To manage the provident fund contribution in respect of the employees of the Company.
(c) FACT Employees Group Gratuity Fund Trust	To manage fund earmarked for gratuity under group gratuity accumulation scheme and provide gratuity benefits including insurance towards future service gratuity benefit.
(d) FACT Employees Superannuation Benefit Fund Trust	To provide superannuation benefits to members of the Trust.

(ii) Transactions during the year with the above referred related parties:

₹ In Lakh

Name of Entity	Company Contribution made during	
	Year ended 31st March 2026	Year ended 31st March 2025
(a) The FACT Employees Provident Fund	1,950.69	1,869.31
(b) FACT Cochin Division Employees Provident Fund Trust	84.93	68.24
(c) FACT Employees Group Gratuity Fund Trust	5,000.00	3,500.00

(iii) Dues outstanding in respect of the above related parties:

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
(a) Amount payable to The FACT Employees Provident Fund	418.54	377.28
(b) Amount payable to FACT Cochin Division Employees Provident Fund Trust	25.31	23.52
(c) Amount receivable from FACT Employees Group Gratuity Fund Trust	245.75	16.95

(iv) During the year 2009-10, the Company has along with Department of Factories and Boilers, Government of Kerala, formed a society under the Travancore Literary Scientific and Charitable Societies Act 1955 with the objective of conducting courses relating to welding technologies with a grant of ₹ 100 lakh from the Government of Kerala, under the name Kerala Institute of Welding and Research. The contribution from the Company is only provision of its existing facilities of Training School. The accounts of the society are not consolidated as society is formed with an objective of not obtaining any economic benefits from its activities and is considered immaterial to the Company's activity.

48. Segment Reporting (Primary Business Segments)

A. Segment Information for the Year ended 31st March 2026

₹ In Lakh

Sl No.	Particulars	Fertiliser	Petrochemical	Others (Unallocated)	Total
(i)	**REVENUE**				
(ii)	External Revenue	5,71,113.15	31.09	2,432.12	5,73,576.36
		4,03,579.83	1,680.77	1,384.35	4,06,644.95
(iii)	**TOTAL REVENUE**	**5,71,113.15**	**31.09**	**2,432.12**	**5,73,576.36**
		4,03,579.83	1,680.77	1,384.35	4,06,644.95
(iv)	**SEGMENT RESULTS**				
(v)	**Profit before Interest and Taxation**	**33,860.08**	**(4,175.97)**	**(26,333.10)**	**3,351.01**
		38,724.38	(4,352.57)	(28,033.61)	6,338.20
(vi)	Unallocated Corporate Expense	-	-	(1,198.99)	(1,198.99)
		-	-	(1,038.07)	(1,038.07)
(vii)	**Operating Profit**	**33,860.08**	**(4,175.97)**	**(25,134.11)**	**4,550.00**
		38,724.38	(4,352.57)	(26,995.54)	7,376.27
(viii)	Interest Expense	-	-	24,972.83	24,972.83
		-	-	24,554.32	24,554.32
(ix)	Interest and Dividend Income	-	-	16,431.62	16,431.62
		-	-	20,090.66	20,090.66
(x)	**Profit before Exceptional items and Tax**	**33,860.08**	**(4,175.97)**	**(33,675.32)**	**(3,991.21)**
		38,724.38	(4,352.57)	(31,459.20)	2,912.61
(xi)	Exceptional (Income)/ Expense	-	-	-	-
		-	-	(2,461.45)	(2,461.45)
(xii)	**Profit Before Tax after Exceptional Items**	**33,860.08**	**(4,175.97)**	**(33,675.32)**	**(3,991.21)**
		38,724.38	(4,352.57)	(28,997.75)	5,374.06
(xiii)	Income Tax/ Deferred Tax	-	-	(31.19)	(31.19)
		-	-	1,250.86	1,250.86
(xiv)	**Profit after Interest and Taxation**	**33,860.08**	**(4,175.97)**	**(33,644.13)**	**(3,960.02)**
		38,724.38	(4,352.57)	(30,248.61)	4,123.20
(xv)	**OTHER INFORMATION**				
	(a) Segment Assets	**4,59,351.43**	**18,669.13**	**1,18,683.67**	**5,96,704.23**
		4,81,833.13	19,535.47	96,770.33	5,98,138.93
	(b) Segment Liabilities	**59,501.30**	**3,158.15**	**5,34,044.78**	**5,96,704.23**
		80,351.66	3,502.83	5,14,284.44	5,98,138.93
	(c) Depreciation	**2,885.22**	**572.91**	**111.51**	**3,569.64**
		2,843.87	666.20	151.74	3,661.81
	(d) Capital Expenditure	**10,755.11**	**50.52**	**318.94**	**11,124.57**
		15,101.41	124.04	108.65	15,334.10

**Figures given in bottom row pertains to previous year.*

1. The business segments are:-

Segment	Products
Fertiliser	Ammonium Phosphate (Factamfos), Zincated Factamfos, Ammonium Sulphate, MOP,NPK 15:15:15,DAP, TSP,Organic Manures
Petrochemical	Caprolactam

2. Segments have been identified taking into account the organisation structure.
3. Segment assets and liabilities represents assets and liabilities in respective segments. Share capital ,Secured and Unsecured loans, Investments and Accumulated loss are classified as Unallocated.
4. Segment reporting is prepared based on the methods consistently followed by the Company.

B. **RECONCILIATION OF REVENUE**

₹ In Lakh

Particulars	**Year ended 31st March 2026**	**Year ended 31st March 2025**
Segment Revenue as above	5,73,576.36	4,06,644.95
Add: Interest Income	16,431.62	20,090.66
Revenue as per Statement of Profit and Loss	**5,90,007.98**	**4,26,735.61**

49. EMPLOYEE BENEFITS

I. DEFINED CONTRIBUTION PLAN

A. General Description of Defined Contribution Plan

Contributory Superannuation Scheme - The scheme is aimed to provide superannuation benefits to the employees. Every year Company contributes ₹100 to the fund.

II. DEFINED BENEFIT PLAN

A. General Description of Defined Benefit Plan

(i) Leave Encashment and Gratuity

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on death, separation from service or retirement, whichever is earlier. The benefit vests after five years of continuous service.

The Government of India has notified the Code on Social Security, 2020 and other labour codes, which became effective during the year. Pursuant to the same, gratuity benefit is extended to the fixed term employees also, on completion of one year of service.

During the year, the Company increased the ceiling of gratuity from ₹20 lakh to ₹25 lakh, with effect from 01.10.2025, for Board level executives, managerial employees and workmen on the permanent rolls of the Company.

The Company has been accounting for provision on account of leave encashment on retirement based on actuarial valuation carried out as at the balance sheet date.

(ii) Provident Fund

The Provident Fund contributions are made to Trusts administered by the Company. The interest rate payable to the members of the Trust shall not be lower than statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act 1952.

During the year, an amount of ₹2,035.62 lakh (Previous year ₹1,937.55 lakh) has been charged to Statement of Profit & Loss towards contribution by the Company. In terms of the Ind AS 19, the Provident Fund Trustset up by the Company is treated as Defined Benefit Plan since the Company has to meet the shortfall in the fund assets, if any.

(a) Information regarding Income Tax Demand Notice issued to The FACT Employees Provident Fund, Udyogamandal Division

During the year, the Income Tax Department issued a Demand Notice of ₹410.48 lakh to The FACT Employees Provident Fund, Udyogamandal Division ("the Trust") under Section 156 of the Income-Tax Act, 1961.The Trusthas filed an appeal as per the provisions of Income Tax Act against the said demand. Pending adjudication of the same, the Company has disclosed the demand as a contingent liability in Note No. 51(i).

(b) Information regarding Cancellation of Exemption in respect of The FACT Cochin Division Employees Provident Fund

During the year 2023-24, Government of Kerala vide its order GO (P) No. 85/2023/LBR dated 11.10.2023 has cancelled the exemption granted under Para 27A of The Employees' Provident Funds Scheme, 1952 to the Company in respect of The FACT Cochin Division Employees Provident Fund, on account of reporting loss for three consecutive financial years by the Company.

Company has filed a writ petition before the Hon' High Court of Kerala challenging the same and the government order has been stayed by the Hon' High Court. The matter is still pending.

(c) Information regarding Cancellation of Exemption in respect of The FACT Employees Provident Fund, Udyogamandal Division

During the year 2022-23, Government of Kerala vide its order G.O(Rt.) No. 354/2023/LBRdated 23.03.2023 has cancelled the exemption granted under Para 27A of The Employees' Provident Funds Scheme, 1952 to the Company in respect of The FACT Employees Provident Fund, Udyogamandal Division, on account of reporting loss for three consecutive financial years by the Company.

Company has filed a writ petition before the Hon' High Court of Kerala challenging the same and the government order has been stayed by the Hon' High Court. The matter is still pending.

II. DEFINED BENEFIT PLAN (continued)

B. Movement in Net Defined Benefit (Asset)/ Liability in respect of Leave Encashment and Gratuity

₹ In Lakh

Sl No.	Particulars	Leave Encashment (Unfunded)		Gratuity (Funded)		CLR Gratuity (Unfunded)		Adhoc Gratuity (Unfunded)	
		31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025
a.	**Changes in the present value of obligations**								
	Present value of obligations at the beginning of the year	9,322.09	8,621.61	11,813.02	10,733.89	1,127.59	995.52	-	-
	Interest cost	632.96	589.88	798.55	774.05	77.01	72.01	-	-
	Plan Amendement's Past service cost	-	-	577.44	-	0.88	-	-	-
	Current service cost	1,121.94	1,618.14	602.63	600.33	44.29	48.88	88.14	-
	Benefits paid	(1,268.81)	(970.55)	(242.33)	(114.75)	-	(4.66)	(16.52)	-
	Actuarial loss/(gain) on obligation	(1,041.59)	(536.99)	(461.02)	(180.50)	(170.39)	15.84	-	-
	Present value of obligations at the end of the year	**8,766.59**	**9,322.09**	**13,088.29**	**11,813.02**	**1,079.38**	**1,127.59**	**71.62**	-
b.	**Changes in the fair value of plan assets**								
	Fair value of plan assets at the beginning of the year	-	-	6,093.85	2,441.36	-	-	-	-
	Expected return on investment	-	-	578.68	299.71	-	-	-	-
	Employer contribution	-	-	5,000.00	3,500.00	-	-	-	-
	Benefits paid	-	-	(242.33)	(114.75)	-	-	-	-
	Actual return on Plan Asset over Expected Interest	-	-	39.53	(32.48)	-	-	-	-
	Fair value of plan assets at the end of the year	-	-	**11,469.73**	**6,093.84**	-	-	-	-
	Actual return on investment	-	-	618.21	267.23	-	-	-	-
c.	**Amount recognised in Balance sheet**								
	Present value of obligations at the end of the year	8,766.59	9,322.09	13,088.29	11,813.02	1,079.38	1,127.59	71.62	-
	Fair value of plan assets at the end of the year	-	-	11,469.73	6,093.84	-	-	-	-
	Net liability recognised in Balance sheet	**8,766.59**	**9,322.09**	**1,618.56**	**5,719.18**	**1,079.38**	**1,127.59**	**71.62**	-
d.	**Expenses recognised in the Statement of Profit and Loss during the year**								
	Current service cost	1,121.94	1,618.14	602.63	600.33	44.29	48.88	88.14	-
	Plan Amendement's Past service cost	-	-	577.44	-	0.88	-	-	-
	Net Interest on Obligation / Asset	632.96	589.88	219.87	474.34	77.01	72.01	-	-
	Total Expenses recognised in the Statement of Profit and Loss during the year	**1,754.90**	**2,208.02**	**1,399.94**	**1,074.67**	**122.18**	**120.89**	**88.14**	-
e.	**Amount Disclosed under Other Comprehensive Income:**								
	Opening balance	(2,970.37)	(2,433.38)	4,906.07	5,054.09	610.09	594.25	-	-
	Actuarial (Gain) or Loss on Obligation side during the year	(1,041.59)	(536.99)	(500.55)	(148.02)	(170.39)	15.84	-	-
	Closing Amount Disclosed under OCI	**(4,011.96)**	**(2,970.37)**	**4,405.52**	**4,906.07**	**439.70**	**610.09**	-	-
f.	**Investment details:**	% invested as at 31st March		% invested as at 31st March		% invested as at 31st March		% invested as at 31st March	
	LIC Group Gratuity (Cash Accumulation) policy	-	-	87.63	51.59	-	-	-	-

C. Actuarial Assumptions in respect of Leave Encashment and Gratuity

Sl No.	Particulars	Leave Encashment (Unfunded)		Gratuity (Funded)		CLR Gratuity (Unfunded)		Adhoc Gratuity (Unfunded)	
a.	Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate							
b.	Discount rate	7.35%	6.83%	7.35%	6.83%	7.35%	6.83%	6.58%	NA
c.	Salary escalation rate	6.00%	8.00%	6.00%	8.00%	6.00%	8.00%	6.00%	NA
d.	Expected rate of return on plan assets	NA	NA	6.83%	6.83%	NA	NA	NA	NA

D. Gratuity - Other Disclosure Requirements

(i) Description of Plan Characteristics and Associated Risks:

The Gratuity scheme is a final salary defined benefit plan that provides for a lumpsum payment at the time of separation; based on scheme rules the benefits are calculated on the basis of last drawn salary and the period of service at the time of separation and paid as lumpsum. There is a vesting period of 5 years (1 year in case of Adhoc employees).

The design entails the following risks that affect the liabilities and cash flows:

(a) Interest rates risk:

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall the defined benefit obligation will tend to increase. Thus,the plan exposes the Company to the risk of fall in interest rates. Some times the fall can be permanent due to a paradigm shift in interest rate scenarios because of economic or fiscal reasons. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements). Even for funded schemes a paradigm downward shift in bond yields may affect the reinvestment yields and may increase ultimate costs.

(b) Salary inflation risk:

The present value of the defined benefit plan is calculated with the assumption of salary escalation rate (SER) which is applied to find the salary of plan participants in future at the time of separation. Higher than expected increases in salary will increase the defined benefit obligation and will have an exponential effect.

(c) Retirement age:

It should be noted that in case of employees above retirement age for the purpose of valuation it is assumed they will retire immediately & benefit is considered up to actual retirement age.

(d) Demographic risks:

Demographic assumptions are required to assess the timing and probability of a payment taking place. This is the risk of volatility of results due to unexpected nature of decrements that include mortality, attrition, disability and retirement. The effects of this decrement on the DBO depend upon the combination of salary increase, discount rate and vesting criteria and therefore, not very straight forward. It is important not to overstate withdrawal rate because the cost of retirement benefit of a short serving employees will be less compared to long service employees.

(e) Asset Liability Mismatch:

This will come into play unless the funds are invested with a term of the assets replicating the term of the liability.

(f) Actuarial Risk:

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience : Salary hikes that are higher than the assumed salary escalation will result into an increase in obligation at a rate that is higher than expected.

Variability in Mortality Rates: If actual mortality rates are higher than assumed mortality rate , then the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in Withdrawal Rates: If actual withdrawal rates are higher than assumed withdrawal rate, then the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

(g) Investment Risk

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

(h) Liquidity Risk

This is the risk that the Company is not able to meet the short-term gratuity pay outs. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities or holding of liquid assets not being sold in time.

Employees with high salaries and long durations of service or those higher in hierarchy accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cash flows.

(i) Market Risk

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

(j) Legislative Risk/ Regulatory Risk

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation. The new labour code is a case in point. And the same will have to be recognized immediately in the year when any such amendment is effective.

(ii) Sensitivity Analysis

How the DBO would have been affected by 100 basis points changes in the actuarial assumptions namely discount rates, salary growth, attrition & mortality is shown below:

(a) Gratuity - Regular Employees :

₹ In Lakh

Sl No.	Particulars	As at 31st March 2026		
		% increase in DBO	Liability	Decrease or Increase in DBO
1	DISCOUNT RATE +100 basis points	-3.09%	12,684.50	(403.79)
2	DISCOUNT RATE -100 basis points	3.46%	13,541.42	453.12
3	SALARY GROWTH +100 basis points	2.09%	13,361.58	273.29
4	SALARY GROWTH -100 basis points	-2.04%	12,821.15	(267.14)
5	ATTRITION RATE +100 basis points	0.27%	13,124.19	35.89
6	ATTRITION RATE-100 basis points	-0.31%	13,048.17	(40.12)
7	MORTALITY RATE 10% UP	0.01%	13,089.71	1.42
8	EFFECT OF NO CEILING	52.68%	6,193.68	6,894.62

Sl No.	Particulars	As at 31st March 2025		
		% increase in DBO	Liability	Decrease or Increase in DBO
1	DISCOUNT RATE +100 basis points	-4.18%	11,319.31	(493.72)
2	DISCOUNT RATE -100 basis points	4.71%	12,369.97	556.95
3	SALARY GROWTH +100 basis points	1.78%	12,023.52	210.50
4	SALARY GROWTH -100 basis points	-1.83%	11,596.71	(216.31)
5	ATTRITION RATE +100 basis points	0.12%	11,827.06	14.04
6	ATTRITION RATE-100 basis points	-0.14%	11,797.05	(15.97)
7	MORTALITY RATE 10% UP	0.01%	11,814.15	1.12
8	EFFECT OF NO CEILING	46.64%	16,447.91	5,509.34

(b) Gratuity - Casual Labour (CLR) :

₹ In Lakh

Sl No.	Particulars	As at 31st March 2026		
		% increase in DBO	Liability	Decrease or Increase in DBO
1	DISCOUNT RATE +100 basis points	-4.44%	1,031.48	(47.90)
2	DISCOUNT RATE -100 basis points	4.92%	1,132.53	53.15
3	SALARY GROWTH +100 basis points	4.81%	1,131.31	51.93
4	SALARY GROWTH -100 basis points	-4.42%	1,031.68	(47.70)
5	ATTRITION RATE +100 basis points	0.12%	1,080.69	1.31
6	ATTRITION RATE-100 basis points	-0.13%	1,077.96	(1.42)
7	MORTALITY RATE 10% UP	0.00%	1,079.37	(0.02)
8	EFFECT OF NO CEILING	23.13%	829.77	249.61

Sl No.	Particulars	As at 31st March 2025		
		% increase in DBO	Liability	Decrease or Increase in DBO
1	DISCOUNT RATE +100 basis points	-5.50%	1,065.56	(62.03)
2	DISCOUNT RATE -100 basis points	6.16%	1,197.09	69.50
3	SALARY GROWTH +100 basis points	4.93%	1,183.13	55.55
4	SALARY GROWTH -100 basis points	-5.14%	1,069.65	(57.94)
5	ATTRITION RATE +100 basis points	-0.59%	1,120.94	(6.65)
6	ATTRITION RATE-100 basis points	0.65%	1,134.88	7.29
7	MORTALITY RATE 10% UP	-0.03%	1,127.20	(0.38)
8	EFFECT OF NO CEILING	0.37%	1,131.80	4.21

(c) Gratuity - Adhoc Employees :

₹ In Lakh

Sl No.	Particulars	As at 31st March 2026		
		% increase in DBO	Liability	Decrease or Increase in DBO
1	DISCOUNT RATE +100 basis points	-1.09%	70.84	(0.78)
2	DISCOUNT RATE -100 basis points	1.12%	72.42	0.80
3	SALARY GROWTH +100 basis points	1.23%	72.51	0.88
4	SALARY GROWTH -100 basis points	-1.22%	70.75	(0.87)
5	ATTRITION RATE +100 basis points	-0.11%	71.54	(0.08)
6	ATTRITION RATE-100 basis points	0.12%	71.71	0.08
7	MORTALITY RATE 10% UP	-0.01%	71.62	-
8	MORTALITY RATE 10% DOWN	0.01%	71.63	-
9	EFFECT OF NO CEILING	0.00%	71.62	-

Sl No.	Particulars	As at 31st March 2025		
		% increase in DBO	Liability	Decrease or Increase in DBO
	NA			

P.U.C method has been used. If an employee's service in later years willlead to a materially higher level of benefit than in earlier years these benefits are attributed on a straight-line basis.The limitations are that in assessing the change other parameters are kept constant. As some of the assumptionsmay be correlated, it is unlikely that changes in assumptions will occur in isolation of one another.

There is no change from the previous period in the methods and assumptionsused in the preparation of above analysis, except that the base rates have changed.

(iii) Asset Liability Matching Strategies

(a) Gratuity - Employees : Insurer Administered Fund

The Company has funded the liability with the insurance company. The entire investible assets are managed by the fund managers of the Insurance company and the Asset Values as informed by the Insurance Company has been taken for the valuation purpose. The policy, thus, mitigates the liquidity risk.However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities.

Thus the Company is exposed to movement in interest rate (in particular the significant fall in interest rates which should result in an increase in liability without corresponding increase in the asset).

(b) Gratuity - Casual Labour (CLR) and Adhoc : Pay As You Go Method

The Company is only making book provisions for the entire Gratuity Liability on the valuation and follows a 'pay as you go' system to meet the liabilities as and when they fall due. Therefore, the scheme is fully unfunded, and no assets are maintained by the Company and asset values are taken as zero; there is liquidity risk in that they may run out of cash.

(iv) Major Categories of Plan Assets

Gratuity for employees (other than CLR and Adhoc) is covered under a scheme of Life Insurance Corporation of India (LIC) which is basically a year-on-year cash accumulation plan. As part of the scheme, the interest rate is declared on yearly basis. The insurance company, as part of the policy rules, makes payment of all gratuity settlements during the year subject to sufficiency of funds under the policy.

(v) Other Disclosures

(a) Gratuity - Regular Employees :

The Company has started funding the liability through the medium of an insurance company and regular assessment is made by the insurance company of the increase in liability under certain assumptions and contributions are being made to maintain the fund. Subject to the credit risk of the insurance company and asset liability mismatch risk of the investments, the Company will be able to meet the past service liability on the valuation date that fall due during the next 3 years.

Expected Contributions to the plan for the next annual reporting period - ₹602.63 lakh (Previous year- ₹813.46 lakh)

Particulars	As at 31st March 2026	As at 31st March 2025
Weighted average duration of the D B O	**10.49**	**11.08**

₹ In Lakh

Information on the maturity profile of the liabilities	As at 31st March 2026	As at 31st March 2025
Projected Benefit Obligation	13,088.29	11,813.02
Accumulated Benefits Obligation	11,612.01	9,601.38

₹ In Lakh

	FIVE YEAR PAYOUTS	As at 31st March 2026		As at 31st March 2025	
		Undiscounted values /Actual value	Discounted values /Present value	Undiscounted values /Actual value	Discounted values /Present value
1	Year (I)	3,826.30	3,789.63	1,083.70	1,031.31
2	Year (II)	3,150.42	2,866.67	3,026.94	2,805.80
3	Year (III)	2,181.02	1,818.00	2,602.12	2,262.08
4	Year (IV)	1,444.23	1,135.04	1,838.34	1,499.60
5	Year (V)	1,121.61	805.13	1,169.78	895.81
6	Next 5 year pay-outs (6-10 years)	2,511.93	1,471.80	2,818.04	1,827.13
7	Pay-outs Above Ten Years	5,607.98	1,202.02	5,408.40	1,491.29
8	Vested benefit Obligation as on Para 137(b)		**12,932.46**		**11,564.53**

(b) Gratuity - Casual Labour (CLR) :

The Company has not started funding the gratuity liability & has been following pay as you go method for settlement of the liability.

Expected Contributions to the plan for the next annual reporting period. NA

Particulars	As at 31st March 2026	As at 31st March 2025
Weighted average duration of the D B O	10.49	8.08

₹ In Lakh

Information on the maturity profile of the liabilities	As at 31st March 2026	As at 31st March 2025
Projected Benefit Obligation	1,079.38	1,127.59
Accumulated Benefits Obligation	840.76	759.03

₹ In Lakh

FIVE YEAR PAYOUTS		As at 31st March 2026		As at 31st March 2025	
		Undiscounted values	Discounted values	Undiscounted values	Discounted values
		/Actual value	/Present value	/Actual value	/Present value
1	Year (I)	193.39	189.30	78.02	74.25
2	Year (II)	160.71	141.45	173.01	159.16
3	Year (III)	186.23	151.79	148.76	126.85
4	Year (IV)	152.09	110.82	173.01	139.81
5	Year (V)	92.19	62.74	139.80	104.13
6	Next 5 year pay-outs (6-10 years)	513.53	279.64	498.03	311.36
7	Pay-outs Above Ten Years	572.36	143.64	633.26	212.03
8	Vested benefit Obligation as on Para 137(b)		1,079.38		1,127.59

(c) Gratuity - Adhoc Employees :

The Company has not started funding the gratuity liability & has been following pay as you go method for settlement of the liability.

Expected Contributions to the plan for the next annual reporting period. NA

Particulars	As at 31st March 2026	As at 31st March 2025
Weighted average duration of the D B O	2.51	-

₹ In Lakh

Information on the maturity profile of the liabilities	As at 31st March 2026	As at 31st March 2025
Projected Benefit Obligation	71.62	-
Accumulated Benefits Obligation	62.16	-

₹ In Lakh

FIVE YEAR PAYOUTS		As at 31st March 2026		As at 31st March 2025	
		Undiscounted values	Discounted values	Undiscounted values	Discounted values
		/Actual value	/Present value	/Actual value	/Present value
1	Year (I)	27.79	27.13	-	-
2	Year (II)	31.15	27.94	-	-
3	Year (III)	8.21	6.61	-	-
4	Year (IV)	7.48	5.66	-	-
5	Year (V)	-	-	-	-
6	Next 5 year pay-outs (6-10 years)	-	-	-	-
7	Pay-outs Above Ten Years	-	4.28	-	-
8	Vested benefit Obligation as on Para 137(b)		71.62		-

E. Leave Encashment - Other Disclosure Requirements

(i) Description of Plan Characteristics and Associated Risks:

The leave scheme is a final salary defined benefit plan, that provides for a lumpsum payment at the time of separation; based on scheme rules the benefits are calculated on the basis of last drawn salary and the leave count at the time of separation and paid as lumpsum.

The design entails the following risks that affect the liabilities and cash flows.

(a) Interest Rates Risk:

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

(b) Salary Inflation Risk:

Higher than expected increases in salary will increase the defined benefit obligation.

(c) Demographic Risks:

This is the risk of volatility of results due to unexpected nature of decrements that include mortality attrition disability and retirement. The effects of this decrement on the DBO depend upon the combination salary increase, discount rate, and vesting criteria and therefore not very straight forward. It is important not to overstate withdrawal rate because the cost of retirement benefit of short serving employees will be less compared to long serving employees.

(ii) Sensitivity Analysis

How the DBO would have been affected by 100 basis points changes in the actuarial assumptionsnamely discount rates, salary growth, attrition & mortality is shown below:

(a) Privilege Leave:

₹ In Lakh

Sl No.	Particulars	As at 31st March 2026		
		% increase in DBO	Liability	Decrease or Increase in DBO
1	DISCOUNT RATE +100 basis points	-5.30%	7,176.23	(401.78)
2	DISCOUNT RATE -100 basis points	6.04%	8,035.71	457.70
3	SALARY GROWTH +100 basis points	5.70%	8,010.33	432.32
4	SALARY GROWTH -100 basis points	-5.10%	7,191.91	(386.10)
5	ATTRITION RATE +100 basis points	0.30%	7,600.97	22.96
6	ATTRITION RATE-100 basis points	-0.34%	7,551.98	(26.03)
7	MORTALITY RATE 10% UP	0.02%	7,579.47	1.46

Sl No.	Particulars	As at 31st March 2025		
		% increase in DBO	Liability	Decrease or Increase in DBO
1	DISCOUNT RATE +100 basis points	-6.50%	7,694.66	(534.83)
2	DISCOUNT RATE -100 basis points	7.51%	8,847.76	618.27
3	SALARY GROWTH +100 basis points	6.98%	8,804.15	574.66
4	SALARY GROWTH -100 basis points	-6.16%	7,722.25	(507.23)
5	ATTRITION RATE +100 basis points	-0.78%	8,165.24	(64.25)
6	ATTRITION RATE-100 basis points	0.90%	8,303.38	73.89
7	MORTALITY RATE 10% UP	-0.02%	8,227.57	(1.92)

(b) Sick Leave:

₹ In Lakh

Sl No.	Particulars	As at 31st March 2026		
		% increase in DBO	Liability	Decrease or Increase in DBO
1	DISCOUNT RATE +100 basis points	-4.78%	1,131.82	(56.76)
2	DISCOUNT RATE -100 basis points	5.35%	1,252.14	63.55
3	SALARY GROWTH +100 basis points	5.05%	1,248.61	60.03
4	SALARY GROWTH -100 basis points	-4.59%	1,134.03	(54.56)
5	ATTRITION RATE +100 basis points	0.19%	1,190.84	2.26
6	ATTRITION RATE-100 basis points	-0.22%	1,186.01	(2.57)
7	MORTALITY RATE 10% UP	0.02%	1,188.78	0.19

Sl No.	Particulars	As at 31st March 2025		
		% increase in DBO	Liability	Decrease or Increase in DBO
1	DISCOUNT RATE +100 basis points	-5.79%	1,029.38	(63.22)
2	DISCOUNT RATE -100 basis points	6.57%	1,164.35	71.75
3	SALARY GROWTH +100 basis points	6.10%	1,159.23	66.63
4	SALARY GROWTH -100 basis points	-5.48%	1,032.71	(59.89)
5	ATTRITION RATE +100 basis points	-0.65%	1,085.50	(7.10)
6	ATTRITION RATE-100 basis points	0.74%	1,100.64	8.04
7	MORTALITY RATE 10% UP	-0.02%	1,092.37	(0.24)

P.U.C method has been used for sensitivity analysis. If an employee's service in later years will lead to a materially higher level of benefit than in earlier years, these benefits are attributed on a straight-line basis. The limitations are that in assessing the change other parameters are kept constant. As some of the assumptions may be correlated, it is unlikely that changes in assumptions will occur in isolation of one another.

There is no change from the previous period in the methods and assumptions used in the preparation of above analysis, except that the base rates have changed.

(iii) Other Disclosures

The Company has not started funding the leave liability & has been following pay as you go method for settlement of the liability.

(a) Privilege Leave:

Particulars	As at 31st March 2026	As at 31st March 2025
Weighted average duration of the D B O	**10.49**	11.08

₹ In Lakh

Information on the maturity profile of the liabilities	As at 31st March 2026	As at 31st March 2025
Projected Benefit Obligation	7,578.01	8,229.49

₹ In Lakh

FIVE YEAR PAYOUTS		As at 31st March 2026		As at 31st March 2025	
		Discounted values / Present value	Undiscounted values / Actual value	Discounted values / Present value	Undiscounted values / Actual value
1	Year (I)	1,790.73	2,052.79	565.24	628.84
2	Year (II)	1,299.05	1,605.81	1,403.87	1,712.27
3	Year (III)	912.43	1,205.62	1,261.93	1,645.11
4	Year (IV)	548.15	780.30	906.18	1,256.55
5	Year (V)	435.58	661.24	556.67	828.24
6	Next 5 year pay-outs (6-10 years)	974.09	1,738.77	1,346.07	2,323.21
7	Pay-outs Above Ten Years	1,617.98	5,596.97	2,189.53	7,573.24

(b) Sick Leave:

Particulars	As at 31st March 2026	As at 31st March 2025
Weighted average duration of the D B O	**10.49**	11.08

₹ In Lakh

Information on the maturity profile of the liabilities	As at 31st March 2026	As at 31st March 2025
Projected Benefit Obligation	1,188.58	1,092.60

₹ In Lakh

FIVE YEAR PAYOUTS		As at 31st March 2026		As at 31st March 2025	
		Discounted values / Present value	Undiscounted values / Actual value	Discounted values / Present value	Undiscounted values / Actual value
1	Year (I)	292.42	336.35	77.67	86.48
2	Year (II)	220.30	273.39	212.12	259.80
3	Year (III)	156.29	206.60	179.44	234.59
4	Year (IV)	110.94	159.42	130.46	180.97
5	Year (V)	71.46	108.89	92.92	139.32
6	Next 5 year pay-outs (6-10 years)	145.79	259.97	175.40	302.49
7	Pay-outs Above Ten Years	191.38	639.81	224.59	738.55

F. Movement in Net Defined Benefit (Asset)/ Liability in respect of Provident Fund

₹ In Lakh

Sl No.	Particulars	Trust managed Provident Fund-Udyogamandal		Trust managed Provident Fund-Cochin Division	
		31.03.2026	31.03.2025	31.03.2026	31.03.2025
a.	**Changes in the present value of obligations**				
	Present value of obligations at the beginning of the year	29,410.09	24,146.83	1,920.91	1,783.56
	Interest cost	2,038.14	1,561.09	132.48	113.70
	Past service cost	-	-	-	-
	Current service cost	1,524.54	1,171.30	84.93	68.24
	Plan participants contribution	3,714.77	2,851.22	204.07	144.27
	Benefits paid	(3,360.45)	(2,039.18)	(236.96)	(198.42)
	Actuarial loss/(gain) on obligation	(139.30)	1,718.83	186.08	9.56
	Present value of obligations at the end of the year	**33,187.79**	**29,410.09**	**2,291.51**	**1,920.91**
b.	**Changes in the fair value of plan assets**				
	Fair value of plan assets at the beginning of the year	30,032.42	24,179.66	2,081.98	1,772.61
	Expected return on investment	2,139.91	1,602.84	147.44	115.26
	Employer & Plan participants contribution	5,239.30	4,022.52	289.00	212.52
	Benefits paid	(3,360.45)	(2,039.18)	(236.96)	(198.42)
	Actuarial (loss)/gain on plan assets	(440.09)	2,266.58	130.56	180.01
	Fair value of plan assets at the end of the year	**33,611.09**	**30,032.42**	**2,412.02**	**2,081.98**
	Actual return on investment	1,699.82	3,869.42	278.00	295.27
c.	**Amount recognised in Balance sheet of the Trust**				
	Present value of obligations at the end of the year	33,187.79	29,410.09	2,291.51	1,920.91
	Fair value of plan assets at the end of the year	33,611.09	30,032.42	2,412.02	2,081.98
	Unfunded net (asset)/ liability	**(423.30)**	**(622.33)**	**(120.51)**	**(161.07)**
d.	**Expenses recognised in the Statement of Profit and Loss of the Trust during the year**				
	Current service cost	1,524.54	1,171.30	84.93	68.24
	Past service cost	-	-	-	-
	Interest cost	2,038.14	1,561.09	132.48	113.70
	Expected return on investment	(2,139.91)	(1,602.84)	(147.44)	(115.26)
	Net actuarial (gain) / loss recognised during the year	300.79	(547.75)	55.52	(170.45)
	Total Expenses	**1,723.56**	**581.80**	**125.49**	**(103.77)**

G. Major Categories of Plan Assets -Provident Fund

Sl No.	Particulars	Trust managed Provident Fund-Udyogamandal		Trust managed Provident Fund-Cochin Division	
		31.03.2026	31.03.2025	31.03.2026	31.03.2025
1	Gov. Securities (Central & State)	56.04%	48.88%	48.80%	48.91%
2	Public Sector Bonds	29.36%	36.35%	36.48%	36.79%
3	Equities	14.60%	14.77%	14.72%	13.94%
4	Others	0.00%	0.00%	0.00%	0.36%
	Total	**100.00%**	**100.00%**	**100.00%**	**100.00%**

50 Additional Regulatory Information

(i) Fair Value of Investment Property

Fair Value of Freehold Land is based on the latest Gazette notification on fair value of land issued by the Government of Kerala (SRO No. 420/2023 dated 25/03/2023).

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

(a) CWIP ageing schedule

₹ In Lakh

CWIP	As at 31st March 2026				
	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	7,900.17	10,343.10	5,256.53	5,838.21	**29,338.01**
Projects Temporarily Suspended	13.58	0.32	-	-	**13.90**
Total	**7,913.75**	**10,343.42**	**5,256.53**	**5,838.21**	**29,351.91**

CWIP	As at 31st March 2025				
	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	9,355.71	6,400.25	4,476.55	1,393.89	**21,626.40**
Projects Temporarily Suspended	-	-	-	-	-
Total	**9,355.71**	**6,400.25**	**4,476.55**	**1,393.89**	**21,626.40**

(b) Details of CWIP for which there is a time over-run compared to its Original plan

₹ In Lakh

CWIP	As at 31st March 2026				
	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
NPK Plant CD - 1650TPD	24,985.01	-	-	-	**24,985.01**
Two Phosphoric Acid Storage Tanks W/I - 8200MT*2	2,135.38	-	-	-	**2,135.38**
Sulphuric Acid Storage Tanks WI 8200MT	-	97.63	-	-	**97.63**
New Ammonia Tank at WI	-	-	-	11.38	**11.38**
Construction of New PA Pump House cum Office Building at FACT Q10 Berth	267.63	-	-	-	**267.63**
Electrical Work in CD TSHP for Land Sale	236.55	-	-	-	**236.55**
Total	**27,624.57**	**97.63**	**-**	**11.38**	**27,733.58**

CWIP	As at 31st March 2025				
	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
NPK Plant CD - 1650TPD	-	18,234.24	-	-	**18,234.24**
Two Phosphoric Acid Storage Tanks W/I - 8200MT*2	2,040.25	-	-	-	**2,040.25**
Sulphuric Acid Storage Tanks WI 8200MT	-	88.46	-	-	**88.46**
New Ammonia Tank at WI	-	-	-	11.38	**11.38**
Construction of New PA Pump House cum Office Building at FACT Q10 Berth	-	100.91	-	-	**100.91**
Electrical Work in CD TSHP for Land Sale	-	118.30	-	-	**118.30**
Contract Employee Attendance Management System	7.58	-	-	-	**7.58**
Fab, Erect & Commission of New IAT	415.20	-	-	-	**415.20**
Total	**2,463.03**	**18,541.91**	**-**	**11.38**	**21,016.32**

(iii) Ratios

Sl No	Particulars	Numerator	Denominator	Ratio		Variance (%)	Reason for variation more than 25%
				2025-26	2024-25		
(a)	**Current Ratio**	Current Assets	Current Liabilities	**0.93**	1.02	(8.82)	NA
(b)	**Debt-Equity Ratio**	Total liabilities/debt	Shareholder's Equity	**3.42**	3.36	1.79	NA
(c)	**Debt Service Coverage Ratio**	Net profit after tax plus Finance cost and Non cash operating expenses	Finance cost, Current maturitiesof debt and accrued interest	**0.06**	0.08	(25.00)	Due to loss during the year
(d)	**Return on Equity Ratio (%)**	Profit after Tax	Shareholder's Equity	**-2.93%**	3.01%	(197.34)	Due to loss during the year
(e)	**Inventory Turnover Ratio**	Turnover	Average inventory	**5.22**	3.87	34.88	Due to increase in turnover
(f)	**Trade Receivables Turnover Ratio**	Net Credit Sales	Average Accounts Receivable	**3.35**	2.85	17.54	NA
(g)	**Trade payables Turnover Ratio**	Net Credit Purchases	Average Accounts Payable	**14.67**	6.24	135.10	Due to increase in purchases
(h)	**Net Capital Turnover Ratio**	Net Sales	Working capital	**(18.33)**	55.57	(132.99)	Due to decrease in working capital
(i)	**Net Profit Ratio (%)**	Net profit after tax	Turnover	**-0.69%**	1.02%	(167.65)	Due to loss during the year
(j)	**Return on Capital Employed (%)**	Earnings before interest and taxes	Capital employed (Net Worth + Total Debt)	**3.96%**	5.92%	(33.11)	Due to decrease in Earnings before interest and taxes
(k)	**Return on Investment (%)**	Increase in the value of investment in shares plus dividend received	Original value of investment	**74.05%**	72.48%	2.17	NA

(iv) Other Additional Disclosures required as per Schedule III of the Companies Act 2013

(a) Transaction with struck off companies under section 248 of the Companies Act 2013 or 560 of the Companies Act 1956:

Name of struck off Company	Nature of transactions with struck-off Company	Relationship with the Struck off Company	Balance outstanding as at (₹ In Lakh)*	
			31st March 2026	31st March 2025
Capexil Agencies Ltd	Investments in securities	NA	0.15	0.15

**The investment is fully impaired and valued at Nil in the books.*

(b) No charge or satisfaction of charges is pending to be registered with Registrar of Companies beyond the statutory period.

(c) There is no Scheme of Arrangements that has been approved in terms of sections 230 to 237 of the Companies Act 2013.

(d) There are no transactions that are not recorded in the books of account to be surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(e) Quarterly statement filed by the Company with bank is in agreement with books of accounts.

(f) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(g) 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;

(h) 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;

(i) The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender.

51 Contingent Liabilities and Commitments (to the extent not provided for):

(i) Contingent Liabilities

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Claims against the Company not acknowledged as debts in respect of:		
Central Excise Act, 1944	5,292.32	5,039.94
Service Tax (Finance Act, 1994)	31.54	402.64
Sales Tax / Value Added Tax/ Entry tax	297.32	292.50
Goods and Service Tax	478.29	451.43
Income Tax Act, 1961	414.74	4.26
ESI Act	127.83	127.83
Suppliers and contractors	32,075.34	29,655.09
Payment of Bonus Act,1965	33.59	33.59
Others	20,960.30	16,023.86

51.1. The contract for the barge transportation of Ammonia awarded to a private company has been cancelled void ab initio during 2004-05 by the Company. The Contractor claimed ₹1,78,489.75 lakh including interest till 31.03.2013 before the arbitrator. The arbitrator has passed an award during the year 2013-14 in favour of the contractor for ₹17,308.04 lakh including interest as on 31.12.2013. As per the award, the mobilisation advance paid by the Company to the contractor along with interest of ₹2,798.29 lakh is to be adjusted against the said award. The Company has not accepted the award on legal and factual grounds and has challenged the award before the Hon' District Court, Ernakulam which has since stayed the award. During the year 2019-20, as per the directive of Hon' District Court, Ernakulam, the Company has provided 80.50 acres of land as security for the award. Accordingly, the award amount along with interest up to 31.03.2026, amounting to ₹ 29,769.53 lakh (Previous year - ₹ 28,751.98 lakh), without considering the adjustment of mobilisation advance and interest allowed under the arbitral award, is not considered as a liability and included under contingent liability. The case is transferred to Commercial Court.

51.2. A plan loan of ₹1,00,000.00 lakh bearing interest @13.50% per annum was released by the Government of India (GOI) on 29th March 2016 to maintain the operations of the Company. As per the order of Government of India, ₹1,00,000.00 lakh along with the earlier loan and interest outstanding has been converted into a single loan carrying interest @ 13.50% per annum with one year moratorium. As per the terms of sanction, Government reserves right to enhance the rate of interest to 16.25% in case of default in repayment. As no communication in this regard has been received from the Government, as on date, ₹19,515.38 lakh (Previous year- ₹14,646.54 lakh) being additional interest from financial year 2022-23 has been shown as contingent liability (Refer Note 21.3).

51.3. ₹559.31 lakh (including interest upto 31.03.2026) is awarded by arbitrator to a transport contractor in an arbitration petition filed by them in response to ₹298.02 lakh withheld from the contractor bills and initiation to invoke bank guarantee of ₹143.22 lakh towards compensation for non-delivery of goods. The counter claim of ₹ 224.03 lakh (including interest) filed by the Company is dismissed. The Company filed Arbitration OP challenging the award. ₹ 261.28 lakh (Previous year- ₹94.80 lakh) is included in the contingent liability towards the award claim.

51.4. Contingent Liability as on 31.03.2026, includes ₹129.62 lakh (Previous year- ₹116.94 lakh) being the amount payable as per the Arbitration Award , to a customer whose contract for sale of bulk gypsum was terminated by the Company during the year 2016-17. Challenging the Award a petition has been filed by the Company before the Commercial Court, North Paravur. The Hon'ble Court granted stay of the operation of the Award subject to deposit of the 50% of the awarded amount or furnishing Bank Guarantee for the entire awarded amount. In compliance with the direction of the court, we have furnished Bank Guarantee for ₹175.22 lakh which was valid till 02.03.2025.

51.5. As per the Presidential directive and the agreement entered into between the Company and the trade unions for implementation of the 2017 wage revision, the Company is not liable to pay arrears of salary and wages for the period from 01.01.2017 to 31.03.2022, in respect of managerial and non-managerial employees. Certain retired employees of FACT have filed Writ Petitions before the Hon. High Court of Kerala praying for a direction to the Company to disburse arrears of pay revision and other consequential benefits for the period from 01.01.2017 to the respective retirement dates of the petitioners. Since a verdict/ decision on payment of arrears relating is not taken, the amount of liability cannot be ascertained at this stage.

(ii) Other Commitments

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for	20,234.47	23,714.94

52 Contingent Assets

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Amounts estimated to be receivable in respect of:		
Suppliers and Contractors	29,013.27	19,681.33
Dealers and Customers	73.69	73.69
Others	184.12	184.12
	29,271.08	**19,939.14**

Contingent assets in respect of 'Suppliers and Contractors' includes ₹28,955.68 lakh (Previous year ₹19,623.74 lakh) receivable from a contractor on the interest bearing mobilisation advance still retained by the party (refer Note 4.1,13.2).

53 Construction Contracts

Income under services for own units reckoned by the Engineering and Consultancy Division (FEDO) and the Fabrication Division (FEW) is accounted by respective units under revenue expenditure ₹798.32 lakh (Previous year ₹ 708.14 lakh) and capital expenditure ₹718.01 lakh (Previous year ₹591.18 lakh).

In the case of the following works being carried out by FACT Engineering and Design Organisation (FEDO) as an executing agency, on a cost plus basis, as a deposit work, FEDO is eligible for certain percentage of fees of total project cost.

(i) National Institute of Technology (NIT), Nagaland - As per technical evaluation, 99.90% (Previous year 95%) of work related to consultancy services by FEDO to NIT has been completed as on 31.03.2026 and pro-rata credit of ₹655.47 lakh (Previous year ₹603.42 lakh) has been taken, after considering work in progress as ₹ 28.24 lakh (Previous year-unearned income ₹ 8.41 lakh). The value of construction work billed and certified during the FY 2025-26 is taken as ₹651.20 lakh (Previous year ₹459.02 lakh) and equivalent amount has been considered for direct charges on contract.

(ii) Kendriya Vidyalaya Harda (KV) - As per technical evaluation, 54% (Previous year 15%) of work related to consultancy services by FEDO to KV, has been completed as on 31.03.2026 and pro-rata credit of ₹113.46 lakh (Previous year ₹48.66 lakh) has been taken, after considering work in progress as ₹43.21 lakh (Previous year-Nil). The value of construction work billed and certified during the FY 2025-26 is taken as ₹564.63 lakh (Previous year ₹283.08 lakh) and equivalent amount has been considered for direct charges on contract.

(iii) Kendriya Vidyalaya Haveri (KV) - As per technical evaluation, 29% (Previous year 5%) of work related to consultancy services by FEDO to KV, has been completed as on 31.03.2026 and pro-rata credit of ₹68.11 lakh (Previous year ₹38.16 lakh) has been taken, after considering work in progress as ₹44.62 lakh (Previous year-Nil). The value of construction work billed and certified during the FY 2025-26 is taken as ₹285.99 lakh (Previous year-Nil) and equivalent amount has been considered for direct charges on contract.

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
(a) Contract revenue recognised in the period.	2,368.81	1,362.47
(b) Advance received against contract in progress.	3,199.73	519.16
(c) Retention by customers against contract in progress.	81.69	62.00
(d) Aggregate amount of cost incurred and recognised profit (less recognised loss) on contracts in progress upto the reporting date	3,028.49	2,568.10
(e) Gross amount due from customers for contract work as an asset	503.88	210.71
(f) Gross amount due to customers for contract work as a liability.	61.74	15.95

54 Disclosure in respect of Changes in Accounting policies, Changes in Accounting Estimates and Errors

During the year, the Company has reassessed the basis of recoverability of subsidy portion of P&K fertilizer stock with dealers pending sale to ultimate beneficiary from 95% to 99%, considering substantial improvement in DBT acknowledgement over the period. The impact on account of this change is increase in Revenue from Operations and Other Accrued Income by ₹2,093.50 lakh in the financial statements for the year ended 31.03.2026. (Refer Notes 11.1 and 27.1.)

During the year, certain errors or omission were identified. Accordingly, previous year financial statements are restated/ reclassified as per the provisions of Ind AS 8. The nature of restatements/ reclassifications and its impact in the previous financial statements and at the beginning of the earliest prior period is as follows:

(i) Reclassification at the Beginning of the Earliest Prior Period

Interest accrued on term loan from Government of India and Intercorporate Loan which has been separately presented under "Other Financial Liabilities" is reclassified and included as part of the carrying amount of the respective loan under "Borrowings", in accordance with Ind AS 109: Financial Instruments.

(ii) Reconciliation of Reclassified Items of Balance Sheet as at 31 March 2025 and 1 April 2024

₹ In Lakh

Sl No	Particulars	Note No.	Reclassification of Figures As at 31 March 2025			Reclassification of Figures As at 1 April 2024		
			As Reported	Adjustments	As Reclassified	As Reported	Adjustments	As Reclassified
1	Current Liabilities : Borrowings	21	1,77,048.75	1,91,212.65	3,68,261.40	1,77,558.75	1,67,336.54	3,44,895.29
2	Current Liabilities : Other Financial Liabilities	24	2,10,008.43	(1,91,212.65)	18,795.78	1,88,029.49	(1,67,336.54)	20,692.95

55 Additional Disclosure in respect of Foreign Currency Transactions

1) Value of Imported and Indigenous Spare Parts Consumed and Percentage thereof to Total Consumption

Particulars	As at 31st March 2026		As at 31st March 2025	
	Amount (₹ In Lakh)	Percentage	Amount (₹ In Lakh)	Percentage
Spare Parts, Components & Chemicals				
Imported	727.53	**16.67%**	107.26	2.87%
Indigenous	3,637.62	**83.33%**	3,623.91	97.13%
	4,365.15		3,731.17	

2) CIF Value of Imports

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Raw Materials	1,40,391.45	84,566.29
Traded Products	1,10,894.29	43,842.41
Spares and Other Materials	510.29	416.33
Capital Goods	-	-
	2,51,796.03	**1,28,825.03**

3) Expenditure in Foreign Currency

₹ In Lakh

Particulars	As at 31st March 2026	As at 31st March 2025
Consultancy Service	3.38	5.43
Others	37.16	43.83
	40.54	**49.26**

56 Information pursuant to OM F No. 23011/9/2023-P&K Dated 18.01.2024 issued by Department of Fertilisers on Guidelines for Evaluation of Reasonableness of MRP of P&K Fertilisers Under Nutrient Based Subsidy Policy

₹ In Lakh

Sl No.	Particulars	As at 31st March 2026			
		Integrated/ Manufactured	Imported	Others	Total
(i)	Revenue from Operations	4,47,738.98	1,12,114.59	12,522.57	**5,72,376.14**
(ii)	Net Profit/(Loss) Before Exceptional Items & Tax	(3,587.77)	1,394.82	(1,798.26)	**(3,991.21)**
(iii)	Exceptional Items				-
(iv)	Net Profit/(Loss) after Exceptional Items Before Tax				**(3,991.21)**
(v)	Deferred Tax				**(31.19)**
(vi)	**Net Profit/(Loss) after Tax (iv)-(v)**				**(3,960.02)**

₹ In Lakh

Sl No.	Particulars	As at 31st March 2025			
		Integrated/ Manufactured	Imported	Others	Total
(i)	Revenue from Operations	3,47,309.70	47,569.69	10,211.60	**4,05,090.99**
(ii)	Net Profit/(Loss) Before Exceptional Items & Tax	13,085.14	3,519.33	(13,691.86)	**2,912.61**
(iii)	Exceptional Items				**2,461.45**
(iv)	Net Profit/(Loss) after Exceptional Items Before Tax				**5,374.06**
(v)	Deferred Tax				**1,250.86**
(vi)	**Net Profit/(Loss) after Tax (iv)-(v)**				**4,123.20**

Products covered:

Integrated/Manufactured : Factamfos, Ammonium Sulphate and Zincated Factamfos

Imported : All imported fertilizers procured by the Company for the purpose of trading

Others: Include Caprolactam, FEDO, FEW & other domestic traded products

57. Cost of Materials Consumed (Item wise Break-Up)

₹ in Lakh

Sl No.	Particulars	Year ended 31st March 2026				Year ended 31st March 2025			
		Opening Stock	Purchases	Closing Stock	Consumption*	Opening Stock	Purchases	Closing Stock	Consumption
1	Regasified Liquid Natural Gas	3.83	83,355.72	0.91	83,358.64	0.41	76,185.51	3.83	76,182.08
2	Sulphur - Imported	3,642.19	1,577.76	1,385.12	3,834.83	35.52	7,725.13	3,642.19	4,118.46
3	Sulphur-Indigenous	2,073.22	47,958.92	3,037.30	46,994.84	1,347.30	15,464.20	2,073.22	14,738.28
4	Rock Phosphate-Imported	6,064.40	36,406.73	12,094.29	30,376.84	1,591.14	27,912.68	6,064.40	23,439.42
5	Rock Phosphate	651.03		651.03			1,761.71	651.03	1,110.68
6	Phosphoric Acid-Imported	1,364.46	99,465.00	2,909.36	97,920.10	6,468.74	47,656.51	1,364.46	52,760.79
7	Phosphoric Acid-Indigenous	1,106.74	41,500.29	26.30	42,580.73	16.72	31,170.84	1,106.74	30,080.82
8	Ammonia - Imported	157.49	8,353.03	81.11	8,429.41	5,642.72	7,992.69	157.49	13,477.92
9	Benzene -Imported	0.09		0.09		0.09		0.09	
10	Benzene-Indigenous	47.10		47.10		47.10	1.40	47.10	1.40
11	Caustic Soda	6.70	25.38	15.42	16.66	6.33	11.54	6.70	11.17
12	Rock Phosphate-18% for mixing	6.86		6.86		6.86		6.86	
13	Sulphuric Acid-Indigenous	858.77	28,165.22	2,777.13	26,246.86	656.49	6,684.37	858.77	6,482.09
14	Sulphuric Acid-Imported	3.45	0.04	0.53	2.96	3.45		3.45	
15	Zinc Sulphate Monohydrate	25.08	125.97	2.60	148.45		46.83	25.08	21.75
	TOTAL	**16,011.41**	**3,46,934.06**	**23,035.15**	**3,39,910.32**	**15,822.86**	**2,22,613.41**	**16,011.41**	**2,22,424.86**
	Cost of Materials Consumed				**3,39,910.32**				**2,22,424.86**

**Consumption includes cost of materials sold.*

58 The financial statements were authorized for issue in accordance with a resolution passed by the Board of Directors on 29.05.2026.

59 The financial statements as approved by the Board of Directors are subject to audit by Comptroller and Auditor General of India and final approval by the Shareholders.

60 The figures of the previous year have been regrouped wherever necessary to make them comparable with those of the current year.

61 Events occurring after the Balance Sheet date

The Company has taken back possession of the land leased to FRBL under the Joint Venture arrangement. The aforesaid event is considered a non-adjusting event under Ind AS 10 – Events after the Reporting Period and accordingly, no adjustment has been made to these financial statements.

As per our report of even date attached

For **G Venugopal Kamath & Co.**
Chartered Accountants
Firm Regn No: 004674S

Sd/-
CA Vasanth V Kamath
Partner
Membership No. 230826

Place: Kochi
Date: 29-05-2026

For and on behalf of the Board of Directors

Sd/-
Pradeep Kumar C
Chief Financial Officer

Sd/-
S Sakthimani
Director (Finance) and
Chairman & Managing Director
DIN 07482308

Sd/-
Susan Abraham
Company Secretary

National Sports Day
CYCLOTHON 2026

प्रगति के पथप्रदर्शक
PIONEERS IN PROGRESS

दि फ़र्टिलाइज़र्स एण्ड केमिकल्स ट्रावनकोर लिमिटेड
(भारत सरकार का उद्यम)
पंजीकृत कार्यालयः एलूर, उद्योगमंडल - **683 501**, कोच्ची, केरल, भारत, वेबसाइट : **www.fact.co.in**
सी आइ एन : : L24129KL1943GOI000371

THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED
(A Government of India Enterprise)
Regd. Office : Eloor, Udyogamandal - 683 501, Kerala India
Website : www.fact.co.in, CIN : L24129KL1943GOI000371