

Nagarjuna Fertilizers and Chemicals Limited
Nagarjuna Hills, Hyderabad - 500 082.
Website: www.nagarjunafertilizers.com
CIN: L24129TG2006PLC076238

Standalone Audited Financial Results for the Quarter / Year Ended March 31, 2025

Discontinued Operation

Rs. In Lakhs

SI No	PARTICULARS	Standalone				
		Quarter ended		Year ended		
		31-03-2025 (Audited)	31-12-2024 (Unaudited)	31-03-2024 (Audited)	31-03-2025 (Audited)	31-03-2024 (Audited)
I	Revenue from Operations	-	-	1,16,006.13	87,201.04	4,76,538.60
II	Other Income	355.27	1.50	958.48	2,61,490.88	2,193.20
III	De-escalation of urea subsidy (Note No.9)	-	(16,879.16)	-	(16,879.16)	-
IV	Total income (I+II+III)	355.27	-16,877.66	1,16,964.61	3,31,812.76	4,78,731.80
V	Expenses					
	a) Cost of materials consumed	-	-	59,543.73	41,312.56	2,44,098.22
	b) Purchase of Stock-in-Trade	4.13	6.49	15.18	13.21	129.53
	c) Changes in inventories of finished goods, stock-in-trade and work in progress	189.46	131.64	2,487.88	3,402.19	1,083.10
	d) Power and Fuel		-	50,869.12	36,554.85	2,10,586.24
	e) Employee Benefits Expense	365.06	351.15	2,442.68	2,918.83	9,750.19
	f) Finance cost	257.97	61.28	13,409.12	6,133.25	47,912.63
	g) Depreciation and Amortization Expense		-	1,226.06	828.27	4,968.78
	h) Impairment losses	-	-	-		63,407.20
	i) Other Expenses	950.93	477.84	7,052.32	14,729.02	26,558.91
	j) De-escalation of material consumed (Gas) (Note No.9)	-	(7,590.04)	-	(7,590.04)	-
	k) De-escalation of Power & Fuel cost (Note No.9)	-	(9,964.97)	-	(9,964.97)	-
	Total expenses	1,767.55	(16,526.61)	1,37,046.09	88,337.17	6,08,494.80
VI	Profit / (Loss) before exceptional items and tax (IV-V)	(1,412.28)	(351.05)	(20,081.48)	2,43,475.59	(1,29,763.00)
VII	Exceptional Items	-	-	-	-	-
VIII	Profit / (Loss) before Tax (VI-VII)	(1,412.28)	(351.05)	(20,081.48)	2,43,475.59	(1,29,763.00)
IX	Tax Expense:					
	(a) Current Tax	(355.45)	(88.35)	-	148.91	-
	(b) Adjustments relating to earlier years	-	-	-	-	-
	(c) Deferred Tax	18.02	(0.00)	(139.40)	839.54	(1,374.13)

		(337.43)	(88.35)	(139.40)	988.45	(1,374.13)
X	Profit / (Loss) from discontinued operations (VIII-IX)	(1,074.85)	(262.70)	(19,942.08)	2,42,487.14	(1,28,388.87)
XI	Other Comprehensive Income (net of tax)					
	A Items that will not be reclassified to profit or loss					
	(i) Re-measurement gains / (losses) on defined benefit plans	(57.75)	-	241.95	(57.75)	241.95
	(ii) Income tax relating to these items	18.02	-	(75.49)	18.02	(75.49)
	B (i) Items that will be reclassified to profit or loss	-	-	-	-	-
	(ii) Income tax relating to these items	-	-	-	-	-
	Total Other Comprehensive income, net of tax	(39.73)	-	166.46	(39.73)	166.46
XII	Total Comprehensive Income (X+XI)	(1,114.58)	(262.70)	(19,775.62)	2,42,447.41	(1,28,222.41)
XIII	Paid-up Equity Share Capital (Face Value of Rs. 1/- per share)	5,980.65	5,980.65	5,980.65	5,980.65	5,980.65
XIV	Other Equity				(98,609.90)	(3,41,057.30)
XV	Earning Per Share (of Rs.1/- each) - Basic and Diluted	(0.18) (Not Annualised)	(0.04) (Not Annualised)	(3.33) (Not Annualised)	40.55	(21.47)

* The major components of other income includes Profit on sale of assets of Rs. 13,123.92 Lakhs, Reversal of impairment provision of Rs. 1,06,560.90 Lakhs, Remission of borrowings of Rs.1,34,006.51 Lakhs, Reversal of provision for Doubtful debts of Rs. 4118.19 Lakhs and Reversal of Provision for Diminution in Investments of Rs. 2,256.17 Lakhs.

Notes:

- 1) The above statement of Audited standalone financial results for the quarter ended 31st March 2025 and the year to date for the period 01st April 2024 to 31st March 2025 was reviewed and recommended by the Audit Committee and approved by the Board of Directors at their, meeting held on 30th May 2025.
- 2) The financial results comprise the combined operations of the company of its Fertilizer and Micro Irrigation businesses up to 31st May 2024. For the purposes of disclosures under Ind AS 108, Operating Segments, as the financial result of Micro Irrigation is below the reportable segment threshold limit, and since they do not have similar economic characteristics and do not share any of the aggregation criteria, the same is neither disclosed as separate segments nor are combined as "all other segments".
- 3) Ammonia/Urea plants operated up to 4th June 2024, i.e., one plant till 31st May 2024 and the other plant till 04th June 2024, Micro Irrigation Plants operated till 31st May 2024. Thereafter the plants for operations are not available in view of sale of Core Assets by the Lenders under SARFAESI Act 2002 on 31st May 2024.
- 4) Consequent to the settlement of Debt vide receipt of sale proceeds from Core and Non-Core assets by ACRE, there are no other Fixed assets (including land, property plant and equipment) left with the Company for operations.

No Dues and Security release Certificate" from ACRE was received on 11th July 2024, thereby affecting the Going Concern of the Company and accordingly drawn the Financial Statements for the year ended on March 31, 2025.

- 5) The Financial Results for the Quarter/ 12 months ended on March 31, 2025, have been drawn, basis the sale of Core and Non-core assets controlled by ACRE under SARFAESI Act as explained above, represent the discontinuation of its combined operations of Fertilizers and Micro Irrigation businesses i.e., the entire Cash generating operations of the Company and the effect of debt settlement with the Lenders.

Without considering the energy and other claims from the Government, the current liabilities exceed the current assets by Rs. 86,095.55 Lakhs. Consequent to the discontinuation of operations the going concern of the company is affected and the financial results are prepared accordingly.

The Company is pursuing various subsidy claims with the Government including reimbursement of Energy consumed, AP State Electricity Duty paid and IGST etc., the funds from these claims if and when received will be used for the settlement of the current liabilities.

- 6) There are various claims against the company which are in dispute in various forums, courts, appeals, including arbitration awards.

Contingent liabilities/claims amounting to around Rs 81,596.07 lacks are not confirmation of dues but a record of disputes.

GAIL has recovered interest in the past since 2018 and also raising claims for interest post the sale of assets on the amounts due. The company is disputing interest being claimed by GAIL since 2018 "after the issuance of Office Memorandum (OM) by the Government and establishment of escrow account.

- 7) The company had lost the GAIL arbitration case in 2023. The company filed an application under section 34 of Arbitration and Conciliation Act 1996 which is pending adjudication in Delhi High Court in 2023. Since going for appeal, all the assets of NFCL have been sold basis the secured creditor invoking SARFAESI. The company's accounts have been drawn up accordingly as a non-going concern. Given the financial situation NFCL therefore assigned its rights in favour of AMPL to represent it in all legal forums/proceedings to pursue claims from GAIL including Arbitration claim in its name as an assignee along with agency coupled with interest under the provisions of Indian Contract Act, 1872. Should GAIL satisfy the award in the future, NFCL shall use the award as it deems fit after clearing its liabilities.
- 8) The Company has been using the "Nagarjuna Brand / Trademarks" for its urea and other products under a license agreement Dt 29/01/1998 with the grantor, a related party. The company, during the period ended on 31.12.2021, received a claim from the grantor asserting its right to royalty for the period from 29/01/1998. The company agreed without impairment and prejudice to the rights of AMPL in any manner whatsoever to settle the claims in a manner such that the dues are secured and paid on a priory basis from the receipts if any from claims against GAIL if and when GAIL satisfies the award in relation to pipeline accident. The Dolaramudu trademark/mascot was being used by the Group and by NFCL in urea packaging. , After the government letter dated August 18, 2023, on "One Nation One Fertilizers" by introducing Single Brand for fertilizers and Logo under fertilizer subsidy scheme, the company has discontinued use of trademark and did not renew the trademark.

9) De-escalation of Urea subsidy and De-escalation of Gas Costs used as Raw material and generation of Power for FY 2022-23.

Government of India announced New Urea Policy (NUP)-2015 and Gas Pooling Policy for Fertilizer (Urea) Sector which are effective from 1st June 2015 to 31st March 2019. Government of India extended the NUP -2015 from 1st April 2019 until further orders. Income from Urea Operations has been recognised in accordance with the said policies. Income towards freight subsidy, Reimbursement claims towards additional fixed cost, Input escalation / de-escalation, have been recognized during the Quarter/ 12 months ended on March 31, 2025 in terms of the said policies.

The Subsidy income is recognised based on the notified Gas Pool prices for the time being in force and upon final notification of the prices the escalation / de-escalations are accounted for in the year in which these notifications are issued. During the 3rd quarter the final Gas Pool price for the year 2022-23 has been notified by the DOF (Annual cumulative Gas Pool price has come down) in line with which GAIL has issued Credit note and NFCL has recognized reduction in Gas Costs by Rs. 17,555.01 Lakhs and correspondingly NFCL has reduced its Urea Subsidy claim by Rs. 16,879.16 Lakhs for FY 2022-23. Accordingly, the reduction in cost of raw material / power and fuel and consequent de-escalation of the subsidy revenues, respectively, belonging to FY 2022-23 have been accounted in line with the said notification and continued accounting policy. Further adjustments required, if any, will be considered on notification of final prices. As there is no production from 4th June 2024 there is no revenue from Operations to be recognised for the current quarter.

10) The Government extended the preset energy norms which were valid till 31st March 2023. Accordingly, Subsidy income is recognized based on Target Energy Norms as per NUP-2015 policy for the Quarter ended June 2024 and there is no production from June 2024 as the Plants were sold.

11) The Company has received communication on March 31, 2025, from Amlika Mercantile Private Limited (seller) and Agri Vestors Private Limited (Acquirer) that Amlika (Seller) and Agri Vestors (Acquirer), being qualifying persons under Regulation 10 of SEBI (SAST) Regulations, 2011, have entered into a Share Purchase Agreement dated March 28, 2025, for the sale and purchase of 27,17,72,140 shares comprising of 45.4419% as under:

15,54,12,063 Shares comprising of 25.9859% were sold and acquired, respectively by way of Block Deal through NSE at prevailing market price of Rs. 4.31 /- per share on March 28, 2025.

The remaining shares of 11,63,60,077 comprising of 19.4560% were sold and acquired respectively by way of the Share Purchase Agreement dated March 28, 2025, at prevailing market price of Rs. 4.31/- per share (arrived at through the Block Deal).

In view of the transfer of shares between the qualifying persons under Regulation 10 of SEBI (SAST) Regulations, 2011, Agri vestors Private Limited has been specified in the category of promoters of the Company. Consequent to the transaction, Amlika Mercantile Private Limited cease to be a promoter of the Company and due compliance shall be complied with in this regard.

12) The cash inflows in the Cash Flow Statement include revenues generated in the earlier periods.

- 13) The figures for the quarter ended 31 March 2025 and 31 March 2024 are the balancing figures between the audited figures for the full financial year and the unaudited published year to date figures up to December 31,2024, and December 31,2023, respectively.
- 14) The figures for the corresponding previous periods have been regrouped, wherever necessary, to make them comparable with those of the current periods.

HYDERABAD

30th May 2025



K. RANUL RAJU

MANAGING DIRECTOR

Nagarjuna Fertilizers and Chemicals Limited
Standalone Balance Sheet as at 31st March 2025

Rs.in Lakhs

	Particulars	As at March 31, 2025	As at March 31, 2024
1	ASSETS		
	Non-current assets		
	(a) Property, Plant and Equipment	-	66,992.50
	(b) Capital work-in-progress	-	10.00
	(c) Financial Assets		
	(i) Investments	-	-
	(ii) Others	323.49	480.60
	(d) Deferred tax assets (net)	-	821.52
	Sub - Total	323.49	68,304.62
	Current assets		
	(a) Inventories	96.31	6,543.37
	(b) Financial Assets		
	(i) Trade receivables	23,781.54	43,925.95
	(ii) Cash and cash equivalents	7,665.85	1,017.05
	(iii) Bank balances, other than (ii) above	151.52	2,003.11
	(iv) Others	8,622.66	8,646.76
	(c) Current Tax Assets (Net)	-	60.49
	(d) Other current assets	6,226.39	7,535.79
	Sub - Total	46,544.27	69,732.52
	Total Assets	46,867.76	1,38,037.14
2	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity Share capital	5,980.65	5,980.65
	(b) Other Equity	(98,609.90)	(3,41,057.30)
	Sub - Total	(92,629.25)	(3,35,076.65)
	Liabilities		
	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	-	-
	(ii) Other financial liabilities	6,639.98	6,905.51
	(b) Provisions	217.21	61.56
	(c) Deferred tax liabilities (Net)	-	-
	(d) Other non-current liabilities	-	-
	Sub - Total	6,857.19	6,967.07
	Current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	1,921.91	3,26,100.93
	(ii) Trade payables		
	(A) Total outstanding dues of Micro enterprises and Small Enterprises	22.82	132.81
	(B) Total outstanding dues of creditors other than micro and small enterprises.	1,29,064.19	1,35,802.35
	(iii) Other financial liabilities (other than those specified in item (c) below)	1,139.44	2,702.72
	(b) Other current liabilities	362.25	1,223.07
	(c) Provisions	-	184.84
	(d) Current Tax Liabilities (Net)	129.21	-
	Sub - Total	1,32,639.82	4,66,146.72
	Total Equity and Liabilities	46,867.76	1,38,037.14

Nagarjuna Fertilizers and Chemicals Limited
Standalone Cash Flow Statement for the period ended 31st March 2025

		Rs.in Lakhs
Particulars	Period ended March 31, 2025	Year ended March 31, 2024
A. Cash Flow from Operating Activities		
Profit/(Loss) before Tax	2,43,475.59	(1,29,763.00)
<i>Adjustments:</i>		
Depreciation and Amortisation	828.27	4,968.78
Impairment / (Provision Reversal) of Assets	(1,42,844.61)	63,407.20
Provision for Doubtful Debts / Advances	-	787.12
Finance Cost	6,133.25	47,912.63
Remission in Borrowings	(1,34,006.51)	-
Deferred government grant	-	(345.79)
Reversal of Provision for Diminution in value of Investment	(2,256.17)	-
Loss on Sale of Diminution in Investments	2,190.17	-
(Profit) / Loss on sale of assets / assets discarded / assets decapitalised	(13,123.92)	(628.79)
Operating Profit before working capital changes	(39,603.93)	(13,661.85)
<i>Movements in working capital:</i>		
Increase/(decrease) in trade payables	(5,589.26)	31,365.99
Increase/(decrease) in long term provisions	97.90	(281.77)
Increase/(decrease) in short term provisions	(184.84)	(413.38)
Increase/(decrease) in other current liabilities	(860.82)	(398.37)
Increase/(decrease) in other current financial liabilities	(1,563.28)	1,019.95
Increase/(decrease) in other long term liabilities	(265.50)	(77.55)
Decrease/(increase) in trade receivables	20,144.41	(5,019.28)
Decrease/(increase) in inventories	5,188.17	678.26
Decrease/(increase) in Non-current - Other Financial Assets	157.11	(29.19)
Decrease/(increase) in other current assets	1,309.40	(314.43)
Decrease/(increase) in other Current financial assets	24.10	(8,584.82)
Cash generated from/(used) in operations	(21,146.54)	4,283.56
(Direct Taxes Paid -net of refunds)	40.80	182.80
Net cash flow from / (used) in operating activities	(21,105.74)	4,466.36
B. Cash Flow from Investing activities		
Purchase of fixed assets and CWIP/Capital advances	(2.26)	(104.12)
Proceeds from Margin Money Deposits	1,851.59	237.74
Proceeds from Sale of fixed assets	2,22,145.01	629.31
Proceeds from Sale of Investments	66.00	-
Net cash flow from / (used) in investing activities	2,24,060.34	762.93
C. Cash flow from Financing activities		
Remission in Borrowings	1,34,006.51	-
Repayment of Short Term Borrowings	(1,29,918.73)	-
Repayment of Sales Tax Deferral	(1,000.00)	(877.17)
Repayment of long term borrowings	(54,308.72)	-
Finance Costs paid	(4,886.67)	(13,857.85)
Net cash flow from / (used) in financing activities	(56,107.61)	(14,735.02)
Net Increase/(decrease) in Cash and Cash Equivalents	1,46,846.99	(9,505.73)
Cash and Cash Equivalents as at beginning of the year	(1,39,181.14)	(1,29,675.41)
Cash and Cash Equivalents as at end of the period	7,665.85	(1,39,181.14)

Notes:

		Rs. in Lakhs
Particulars	Period ended March 31, 2025	Year ended March 31, 2024
Cash and Cash Equivalents comprises of		
Balances with Banks		
In Current Accounts	7,653.47	999.62
Cash on hand	12.38	17.43
Cash and Cash Equivalents	7,665.85	1,017.05
Less: Cash Credit	-	1,40,198.19
Cash and Cash Equivalents in Cash Flow Statement	7,665.85	(1,39,181.14)



P. MURALI & Co.,
CHARTERED ACCOUNTANTS
6-3-655/2/3, SOMAJIGUDA,
HYDERABAD - 500 082. T.G, INDIA.

Tel. : (91-40) 2332 6666, 2331 2554
(91-40) 2339 3967, 2332 1470
(91-40) 2332 2119, 2331 7032
Fax : (91-40) 2339 2474
Email : pmurali.co@gmail.com
info@pmurali.com
Website : www.pmurali.com

Independent Auditor's Report on Audited standalone Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors,
Nagarjuna Fertilizers and Chemicals Limited,
Nagarjuna Hills,
Hyderabad- 500082.

Report on the audit of the Standalone Financial Results

I. Opinion

We have audited the accompanying standalone financial results of **Nagarjuna Fertilizers and Chemicals Limited** (the "Company") for the quarter ended 31March, 2025 and the year-to-date results for the period from 01 April 2024 to 31 March, 2025 (the "Statement") attached herewith, being submitted by the "Company" pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

- a. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India, of the Net Profit and Total Comprehensive Loss and other financial information for the quarter ended 31st March, 2025 as well as the year-to-date results for the period from 01 April 2024 to 31 March, 2025.

II. Basis for Opinion:

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial





P. MURALI & Co.,
CHARTERED ACCOUNTANTS
6-3-655/2/3, SOMAJIGUDA,
HYDERABAD - 500 082. T.G, INDIA.

Tel. : (91-40) 2332 6666, 2331 2554
(91-40) 2339 3967, 2332 1470
(91-40) 2332 2119, 2331 7032
Fax : (91-40) 2339 2474
Email : pmurali.co@gmail.com
info@pmurali.com
Website : www.pmurali.com

Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

III. Emphasis of matter

We refer to the following notes to "the Statement":

a) Relating to "Non Going Concern":

- i Note No. 4: Consequent to the settlement of Debt vide receipt of sale proceeds from Core and Non-Core assets by ACRE, there are no other assets including property plant and equipment left with the Company for operations. "No Dues and Security release Certificate" from ACRE was received on 11th July 2024, thereby affecting the Going Concern of the Company and accordingly drawn the Financial statements for the year ended on March 31, 2025 on a non going concern basis.
- ii Note No. 5: Without considering the energy and other claims from the Government, the current liabilities exceed the current assets by Rs. 86,095.55 Lakhs.

b) Note No 6: There are various claims against the company which are in dispute in various forums, courts, appeals, including arbitration awards.

Contingent liabilities/claims amounting to around Rs 81,596.07 lakhs are not confirmation of dues but a record of disputes.

GAIL has recovered interest in the past since 2018 and also raising claims for interest post the sale of assets on the amounts due. The company is disputing interest being claimed by GAIL since 2018 "after the issuance of Office Memorandum (OM) by the Government and establishment of escrow account.

c) Note No 7: Given the financial situation, NFCL has assigned its rights in favour of AMPL to represent it in all legal forums/proceedings to pursue claims from GAIL including Arbitration claim in its name as an assignee along with agency coupled with interest under





P. MURALI & Co.,
CHARTERED ACCOUNTANTS
6-3-655/2/3, SOMAJIGUDA,
HYDERABAD - 500 082. T.G, INDIA.

Tel. : (91-40) 2332 6666, 2331 2554
(91-40) 2339 3967, 2332 1470
(91-40) 2332 2119, 2331 7032
Fax : (91-40) 2339 2474
Email : pmurali.co@gmail.com
info@pmurali.com
Website : www.pmurali.com

the provisions of Indian Contract Act, 1872. Should GAIL satisfy the award in the future, NFCL shall use the award as it deems fit after clearing its liabilities.

d) Note No 8: Claim from a related party asserting its right for Royalty for the period from 29.01.1998 to 31.12.2021. The company agreed without impairment and prejudice to the rights of AMPL to settle the claims in any manner whatsoever to settle the claims in a manner such that the dues are secured and paid on a priority basis from the receipts if any from claims against GAIL if and when GAIL satisfies the award in relation to pipeline accident.

e) Note No 9: De-escalation of Urea subsidy and De-escalation of Gas Costs used as Raw material and generation of Power for FY 2022-23.

The Subsidy income is recognised based on the notified Gas Pool prices for the time being in force and upon final notification of the prices the escalation / de-escalations are accounted for in the year in which these notifications are issued. During the 3rd quarter, the final Gas Pool price for the year 2022-23 has been notified by the DOF (Annual cumulative Gas Pool price has come down) in line with which GAIL has issued Credit note and NFCL has recognized reduction in Gas Costs by Rs. 17,555.01 Lakhs and correspondingly NFCL has reduced its Urea Subsidy claim by Rs. 16,879.16 Lakhs for FY 2022-23. Accordingly, the reduction in cost of raw material / power and fuel and consequent de-escalation of the subsidy revenues, respectively, belonging to FY 2022-23 have been accounted in line with the said notification and continued accounting policy. Further adjustments required, if any, will be considered on notification of final prices. As there is no production from 4th June 2024 there is no revenue from Operations to be recognised for the current quarter.

f) Note No 10: The Government extended the present energy norms which were valid till 31st March 2023. Accordingly, Subsidy income is recognized based on Target Energy Norms as per NUP-2015 policy for the Quarter ended June 2024 and there is no production from June 2024 as the Plants were sold.

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

IV. Management's Responsibilities for the Standalone Financial Results

These quarterly financial results as well as the year-to-date standalone financial results have been prepared on the basis of the financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit and other comprehensive loss and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim





P. MURALI & Co.,
CHARTERED ACCOUNTANTS
6-3-655/2/3, SOMAJIGUDA,
HYDERABAD - 500 082. T.G, INDIA.

Tel. : (91-40) 2332 6666, 2331 2554
(91-40) 2339 3967, 2332 1470
(91-40) 2332 2119, 2331 7032
Fax : (91-40) 2339 2474
Email : pmurali.co@gmail.com
info@pmurali.com
Website : www.pmurali.com

Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of "the Company" and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

V. Auditor's Responsibilities for the Audit of the Standalone Financial Results:

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.

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

- ❖ Identify and assess the risks of material misstatement of the standalone financial results, 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





P. MURALI & Co.,
CHARTERED ACCOUNTANTS
6-3-655/2/3, SOMAJIGUDA,
HYDERABAD - 500 082. T.G, INDIA.

Tel. : (91-40) 2332 6666, 2331 2554
(91-40) 2339 3967, 2332 1470
(91-40) 2332 2119, 2331 7032
Fax : (91-40) 2339 2474
Email : pmurali.co@gmail.com
info@pmurali.com
Website : www.pmurali.com

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

- ❖ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether “the Company” has adequate internal financial controls system in place and the operating effectiveness of such controls. We have given an unmodified opinion on Internal financial controls of the Company.
- ❖ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- ❖ Conclude on the appropriateness of the Board of Directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause “the Company” to cease to continue as a going concern.
- ❖ Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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






P. MURALI & Co.,
CHARTERED ACCOUNTANTS
6-3-655/2/3, SOMAJIGUDA,
HYDERABAD - 500 082. T.G, INDIA.

Tel. : (91-40) 2332 6666, 2331 2554
(91-40) 2339 3967, 2332 1470
(91-40) 2332 2119, 2331 7032
Fax : (91-40) 2339 2474
Email : pmurali.co@gmail.com
info@pmurali.com
Website : www.p murali.com

VI. Other Matters:

The statement includes the results for the quarter ended 31 March 2025 being the balancing figures between the audited figures for the full financial year and the unaudited published year to date figures up to December 31, 2024 which were subjected to the limited review by us.

For P. Murali & Co
Chartered Accountants
FRN: 007257S


A Krishna Rao
Partner
M.No.020085
UDIN: 25020085BMILFB7666



Place: Hyderabad
Date: 30.05.2025

Nagarjuna Fertilizers and Chemicals Limited
Nagarjuna Hills, Hyderabad - 500 082.
Website: www.nagarjunafertilizers.com
CIN: L24129TG2006PLC076238

Consolidated Audited Financial Results for the Quarter / Year Ended March 31, 2025

Discontinued Operation

Rs. In Lakhs

SI No	PARTICULARS	Consolidated				
		Quarter ended		Year ended		
		31-03-2025 (Audited)	31-12-2024 (Unaudited)	31-03-2024 (Audited)	31-03-2025 (Audited)	31-03-2024 (Audited)
I	Revenue from Operations	-	-	1,16,006.13	87,201.04	4,76,538.60
II	Other Income	355.27	1.50	958.48	2,61,490.88	2,193.20
III	De-escalation of urea subsidy (Note No.9)	-	(16,879.16)	-	(16,879.16)	-
IV	Total income (I+II+III)	355.27	(16,877.66)	1,16,964.61	3,31,812.76	4,78,731.80
V	Expenses					
	a) Cost of materials consumed	-	-	59,543.73	41,312.56	2,44,098.22
	b) Purchase of Stock-in-Trade	4.13	6.49	15.18	13.21	129.53
	c) Changes in inventories of finished goods, stock-in-trade and work in progress	189.46	131.64	2,487.88	3,402.19	1,083.10
	d) Power and Fuel		-	50,869.12	36,554.85	2,10,586.24
	e) Employee Benefits Expense	365.06	351.15	2,442.68	2,918.83	9,750.19
	f) Finance cost	257.97	61.28	13,409.12	6,133.25	47,912.63
	g) Depreciation and Amortization Expense		-	1,226.06	828.27	4,968.78
	h) Impairment losses	-	-	-		63,407.20
	i) Other Expenses	950.93	477.84	7,052.32	14,729.02	26,569.33
	j) De-escalation of material consumed (Gas) (Note No.9)	-	(7,590.04)	-	(7,590.04)	-
	k) De-escalation of Power & Fuel cost (Note No.9)	-	(9,964.97)	-	(9,964.97)	-
	Total expenses	1,767.55	(16,526.61)	1,37,046.09	88,337.17	6,08,505.22
VI	Profit / (Loss) before exceptional items and tax (IV-V)	(1,412.28)	(351.05)	(20,081.48)	2,43,475.59	(1,29,773.42)
VII	Exceptional Items	-	-	-	-	-
VIII	Profit/(loss) before share of profit/(loss) of associate and tax (VI-VII)	(1,412.28)	(351.05)	(20,081.48)	2,43,475.59	(1,29,773.42)
IX	Share of profit/(loss) of associate (net of tax)	-	-	-	-	-
X	Profit/(loss) before tax (VIII+IX)	-1,412.28	(351.05)	(20,081.48)	2,43,475.59	(1,29,773.42)
XI	Tax Expense:					
	(a) Current Tax	(355.45)	(88.35)	-	148.91	-
	(b) Adjustments relating to earlier years	-	-	-	-	-
	(c) Deferred Tax	18.02	(0.00)	(139.40)	839.54	(1,374.13)

		(337.43)	(88.35)	(139.40)	988.45	(1,374.13)
IX	Profit / (Loss) from discontinued operations (X-XI)	(1,074.85)	(262.70)	(19,942.08)	2,42,487.14	(1,28,399.30)
XIII	Other Comprehensive Income (net of tax)					
	A Items that will not be reclassified to profit or loss					
	(i) Re-measurement gains / (losses) on defined benefit plans	(57.75)	-	241.95	-57.75	241.95
	(ii) Income tax relating to these items	18.02	-	(75.49)	18.02	(75.49)
	B (i) Items that will be reclassified to profit or loss	-	-	-		-
	(ii) Income tax relating to these items	-	-	-		-
	Total Other Comprehensive income, net of tax	(39.73)	-	166.46	(39.73)	166.46
XIV	Total Comprehensive Income (XII+XIII)	(1,114.58)	(262.70)	(19,775.62)	2,42,447.41	(1,28,232.84)
	Total Comprehensive Income for the period (XII+ XIII)					
	(Comprising Profit/(Loss) and Other Comprehensive Income for the period) Attributable to					
	Owners of the Parent					(1,28,399.28)
	Non-controlling interests					(0.02)
	Of the Total Comprehensive Income above, Other Comprehensive income attributable to :					
	Owners of the Parent					(1,28,399.28)
	Non-controlling interests					(0.02)
	Of the Total Comprehensive Income above, Other Comprehensive income attributable to :					
	Owners of the Parent					166.46
	Non-controlling interests					
XV	Paid-up Equity Share Capital (Face Value of Rs. 1/- per share)	5,980.65	5,980.65	5,980.65	5,980.65	5,980.65
XVI	Other Equity	-	-		(98,609.90)	(3,41,190.74)
XVII	Earning Per Share (of Rs.1/- each)					
	- Basic and Diluted	(0.18)	(0.04)	(3.33)	40.55	(21.47)
		(Not Annualised)	(Not Annualised)	(Not Annualised)		

* The major components of other income includes Profit on sale of assets of Rs. 13,123.92 Lakhs, Reversal of impairment provision of Rs. 1,06,560.90 Lakhs, Remission of borrowings of Rs.1,34,006.51 Lakhs, Reversal of provision for Doubtful debts of Rs. 4118.19 Lakhs and Reversal of Provision for Diminution in Investments of Rs. 2,256.17 Lakhs.

Notes:

- 1) The above statement of Audited Consolidated financial results for the quarter ended 31st March 2025 and the year to date for the period 01st April 2024 to 31st March 2025 was reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on 30th May 2025.
- 2) The financial results comprise the combined operations of the company of its Fertilizer and Micro Irrigation businesses up to **31st May 2024**. For the purposes of disclosures under Ind AS 108, Operating Segments, as the financial result of Micro Irrigation is below the reportable segment threshold limit, and since they do not have similar economic characteristics and do not share any of the aggregation criteria, the same is neither disclosed as separate segments nor are combined as "all other segments".
- 3) Ammonia/Urea plants operated up to 4th June 2024, i.e., one plant till 31st May 2024 and the other plant till 04th June 2024, Micro Irrigation Plants operated till 31st May 2024. Thereafter the plants for operations are not available in view of sale of Core Assets by the Lenders under SARFAESI Act 2002 on 31st May 2024.
- 4) Consequent to the settlement of Debt vide receipt of sale proceeds from Core and Non-Core assets by ACRE, there are no other Fixed assets (including land, property plant and equipment) left with the Company for operations.

No Dues and Security release Certificate" from ACRE was received on 11th July 2024, thereby affecting the Going Concern of the Company and accordingly drawn the Financial Statements for the year ended on March 31, 2025.

- 5) The Financial Results for the Quarter/ 12 months ended on March 31, 2025, have been drawn, basis the sale of Core and Non-core assets controlled by ACRE under SARFAESI Act as explained above, represent the discontinuation of its combined operations of Fertilizers and Micro Irrigation businesses i.e., the entire Cash generating operations of the Company and the effect of debt settlement with the Lenders.

Without considering the energy and other claims from the Government, the current liabilities exceed the current assets by Rs. 86,095.55 Lakhs. Consequent to the discontinuation of operations the going concern of the company is affected and the financial results are prepared accordingly.

The Company is pursuing various subsidy claims with the Government including reimbursement of Energy consumed, AP State Electricity Duty paid and IGST etc., the funds from these claims if and when received will be used for the settlement of the current liabilities.

- 6) There are various claims against the company which are in dispute in various forums, courts, appeals, including arbitration awards.

Contingent liabilities/claims amounting to around Rs 81,596.07 lacks are not confirmation of dues but a record of disputes.

GAIL has recovered interest in the past since 2018 and also raising claims for interest post the sale of assets on the amounts due. The company is disputing interest being claimed by GAIL since 2018 "after the issuance of Office Memorandum (OM) by the Government and establishment of escrow account".

- 7) The company had lost the GAIL arbitration case in 2023. The company filed an application under section 34 of Arbitration and Conciliation Act 1996 which is pending adjudication in Delhi High Court in 2023. Since going for appeal, all the assets of NFCL have been sold basis the secured creditor invoking SARFAESI. The company's accounts have been drawn up accordingly as a non-going concern. Given the financial situation NFCL therefore assigned its rights in favour of AMPL to represent it in all legal forums/proceedings to pursue claims from GAIL including Arbitration claim in its name as an assignee along with agency coupled with interest under the provisions of Indian Contract Act, 1872. Should GAIL satisfy the award in the future, NFCL shall use the award as it deems fit after clearing its liabilities.
- 8) The Company has been using the "Nagarjuna Brand / Trademarks" for its urea and other products under a license agreement Dt 29/01/1998 with the grantor, a related party. The company, during the period ended on 31.12.2021, received a claim from the grantor asserting its right to royalty for the period from 29/01/1998. The company agreed without impairment and prejudice to the rights of AMPL in any manner whatsoever to settle the claims in a manner such that the dues are secured and paid on a priory basis from the receipts if any from claims against GAIL if and when GAIL satisfies the award in relation to pipeline accident. The Dolaramudu trademark/mascot was being used by the Group and by NFCL in urea packaging. , After the government letter dated August 18, 2023, on "One Nation One Fertilizers" by introducing Single Brand for fertilizers and Logo under fertilizer subsidy scheme, the company has discontinued use of trademark and did not renew the trademark.
- 9) De-escalation of Urea subsidy and De-escalation of Gas Costs used as Raw material and generation of Power for FY 2022-23.

Government of India announced New Urea Policy (NUP)-2015 and Gas Pooling Policy for Fertilizer (Urea) Sector which are effective from 1st June 2015 to 31st March 2019. Government of India extended the NUP -2015 from 1st April 2019 until further orders. Income from Urea Operations has been recognised in accordance with the said policies. Income towards freight subsidy, Reimbursement claims towards additional fixed cost, Input escalation / de-escalation, have been recognized during the Quarter/ 12 months ended on March 31, 2025 in terms of the said policies.

The Subsidy income is recognised based on the notified Gas Pool prices for the time being in force and upon final notification of the prices the escalation / de-escalations are accounted for in the year in which these notifications are issued. During the 3rd quarter the final Gas Pool price for the year 2022-23 has been notified by the DOF (Annual cumulative Gas Pool price has come down) in line with which GAIL has issued Credit note and NFCL has recognized reduction in Gas Costs by Rs. 17,555.01 Lakhs and correspondingly NFCL has reduced its Urea Subsidy claim by Rs. 16,879.16 Lakhs for FY 2022-23. Accordingly, the reduction in cost of raw material / power and fuel and consequent de-escalation of the subsidy revenues, respectively, belonging to FY 2022-23 have been accounted in line with the said notification and continued accounting policy. Further adjustments required, if any, will be considered on notification of final prices. As there is no production from 4th June 2024 there is no revenue from Operations to be recognised for the current quarter.

- 10) The Government extended the preset energy norms which were valid till 31st March 2023. Accordingly, Subsidy income is recognized based on Target Energy Norms as per NUP-2015 policy for the Quarter ended June 2024 and there is no production from June 2024 as the Plants were sold.
- 11) The Company has received communication on March 31, 2025, from Amlika Mercantile Private Limited (seller) and Agri Vestors Private Limited (Acquirer) that Amlika (Seller) and Agri Vestors (Acquirer), being qualifying persons under Regulation 10 of SEBI (SAST) Regulations, 2011, have entered into a Share Purchase Agreement dated March 28, 2025, for the sale and purchase of 27,17,72,140 shares comprising of 45.4419% as under:

15,54,12,063 Shares comprising of 25.9859% were sold and acquired, respectively by way of Block Deal through NSE at prevailing market price of Rs. 4.31 /- per share on March 28, 2025.

The remaining shares of 11,63,60,077 comprising of 19.4560% were sold and acquired respectively by way of the Share Purchase Agreement dated March 28, 2025, at prevailing market price of Rs. 4.31/- per share (arrived at through the Block Deal).

In view of the transfer of shares between the qualifying persons under Regulation 10 of SEBI (SAST) Regulations, 2011, Agri vestors Private Limited has been specified in the category of promoters of the Company. Consequent to the transaction, Amlika Mercantile Private Limited cease to be a promoter of the Company and due compliance shall be complied with in this regard.

- 12) The cash inflows in the Cash Flow Statement include revenues generated in the earlier periods.
- 13) The consolidated results include results of associate company KVK Raju International Leadership Ltd.
- 14) The figures for the quarter ended 31 March 2025 and 31 March 2024 are the balancing figures between the audited figures for the full financial year and the unaudited published year to date figures up to December 31, 2024, and December 31, 2023, respectively.
- 15) The figures for the corresponding previous periods have been regrouped, wherever necessary, to make them comparable with those of the current periods.

HYDERABAD
30th May 2025



K. RAHUL RAJU
MANAGING DIRECTOR

Nagarjuna Fertilizers and Chemicals Limited
Consolidated Balance Sheet as at 31st March 2025

Rs.in Lakhs

	Particulars	As at March 31, 2025	As at March 31, 2024
1	ASSETS		
	Non-current assets		
	(a) Property, Plant and Equipment	-	66,992.50
	(b) Capital work-in-progress	-	10.00
	(c) Financial Assets		
	(i) Investments	-	-
	(ii) Others	323.49	480.60
	(d) Deferred tax assets (net)	-	821.52
	Sub - Total	323.49	68,304.62
	Current assets		
	(a) Inventories	96.31	6,543.37
	(b) Financial Assets		
	(i) Trade receivables	23,781.54	43,925.95
	(ii) Cash and cash equivalents	7,665.85	1,017.05
	(iii) Bank balances, other than (ii) above	151.52	2,003.11
	(iv) Others	8,622.66	8,646.76
	(c) Current Tax Assets (Net)	-	60.73
	(d) Other current assets	6,226.39	7,507.87
	Sub - Total	46,544.27	69,704.84
	Total Assets	46,867.76	1,38,009.46
2	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity Share capital	5,980.65	5,980.65
	(b) Other Equity	(98,609.90)	(3,41,190.74)
	Non-Controlling Interest	-	(0.22)
	Sub - Total	(92,629.25)	(3,35,210.31)
	Liabilities		
	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	-	-
	(ii) Other financial liabilities	6,639.98	6,905.51
	(b) Provisions	217.21	61.56
	(c) Deferred tax liabilities (Net)	-	-
	(d) Other non-current liabilities	-	-
	Sub - Total	6,857.19	6,967.07
	Current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	1,921.91	3,26,100.93
	(ii) Trade payables		
	(A) Total outstanding dues of Micro enterprises and Small Enterprises	22.82	132.81
	(B) Total outstanding dues of creditors other than micro and small enterprises.	1,29,064.19	1,35,802.35
	(iii) Other financial liabilities (other than those specified in item (c) below)	1,139.44	2,808.47
	(b) Other current liabilities	362.25	1,223.30
	(c) Provisions	-	184.84
	(d) Current Tax Liabilities (Net)	129.21	-
	Sub - Total	1,32,639.82	4,66,252.70
	Total Equity and Liabilities	46,867.76	1,38,009.46

Nagarjuna Fertilizers and Chemicals Limited
Consolidated Cash Flow Statement for the Period ended 31st March 2025

Particulars	Rs.in Lakhs	
	Period ended March 31, 2025	Year ended March 31, 2024
A. Cash Flow from Operating Activities		
Profit/(Loss) before Tax	2,43,475.59	(1,29,773.43)
<i>Adjustments:</i>		
Depreciation and Amortisation	828.27	4,968.78
Impairment of Assets	(1,42,844.61)	63,407.20
Provision for Doubtful Debts / Advances	-	787.12
Finance Cost	6,133.25	47,912.63
Remission in Borrowings	(1,34,006.51)	-
Deferred government grant	-	(345.79)
Reversal of Provision for Diminution in value of Investment	(2,256.17)	-
Loss on Sale of Diminution in Investments	2,190.17	-
(Profit) / Loss on sale of assets / assets discarded / assets decapitalised	(13,123.92)	(628.79)
Operating Profit before working capital changes	(39,603.93)	(13,672.28)
<i>Movements in working capital:</i>		
Increase/(decrease) in trade payables	(5,589.26)	31,365.99
Increase/(decrease) in long term provisions	97.90	(281.77)
Increase/(decrease) in short term provisions	(184.84)	(413.38)
Increase/(decrease) in other current liabilities	(860.82)	(398.58)
Increase/(decrease) in other current financial liabilities	(1,563.28)	1,019.95
Increase/(decrease) in other long term liabilities	(265.50)	(77.55)
Decrease/(increase) in trade receivables	20,144.41	(5,019.28)
Decrease/(increase) in inventories	5,188.17	678.26
Decrease/(increase) in Non-current - Other Financial Assets	157.11	(29.19)
Decrease/(increase) in other current assets	1,309.40	(314.43)
Decrease/(increase) in other Current financial assets	24.10	(8,584.82)
Cash generated from/(used) in operations	(21,146.54)	4,272.92
(Direct Taxes Paid -net of refunds)	40.80	182.80
Net cash flow from / (used) in operating activities	(21,105.74)	4,455.72
B. Cash Flow from Investing activities		
Purchase of fixed assets and CWIP/Capital advances	(2.26)	(104.12)
Proceeds from Margin Money Deposits	1,851.59	237.74
Proceeds from Sale of fixed assets	2,22,145.01	629.31
Proceeds from Sale of Investments	66.00	-
Net cash flow from / (used) in investing activities	2,24,060.34	762.93
C. Cash flow from Financing activities		
Remission in Borrowings	1,34,006.51	-
Repayment of Short Term Borrowings	(1,29,918.73)	-
Repayment of Sales Tax Deferral	(1,000.00)	(877.17)
Repayment of long term borrowings	(54,308.72)	-
Finance Costs paid	(4,886.67)	(13,857.85)
Net cash flow from / (used) in financing activities	(56,107.61)	(14,735.02)
Net Increase/(decrease) in Cash and Cash Equivalents	1,46,846.99	(9,516.37)
Cash and Cash Equivalents as at beginning of the year	(1,39,181.14)	(1,29,664.77)
Cash and Cash Equivalents as at end of the period	7,665.85	(1,39,181.14)

Notes:

Rs. in Lakhs		
Cash and Cash Equivalents comprises of		
Balances with Banks		
In Current Accounts	7,653.47	999.62
Cash on hand	12.38	17.43
Cash and Cash Equivalents	7,665.85	1,017.05
Less: Cash Credit	-	1,40,198.19
Cash and Cash Equivalents in Cash Flow Statement	7,665.85	(1,39,181.14)



P. MURALI & Co.,
CHARTERED ACCOUNTANTS
6-3-655/2/3, SOMAJIGUDA,
HYDERABAD - 500 082. T.G, INDIA.

Tel. : (91-40) 2332 6666, 2331 2554
(91-40) 2339 3967, 2332 1470
(91-40) 2332 2119, 2331 7032
Fax : (91-40) 2339 2474
Email : pmurali.co@gmail.com
info@pmurali.com
Website : www.p murali.com

Independent Auditor's Report (Unmodified Opinion) on consolidated audited quarterly and year to date financial results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To
The Board of Directors,
Nagarjuna Fertilizers and Chemicals Limited,
Nagarjuna Hills,
Hyderabad- 500082.

Report on the audit of the Consolidated Financial Results

I. Opinion

We have Audited the accompanying Statement of Consolidated Financial Results of **Nagarjuna Fertilizers and Chemicals Limited** ("the Holding Company") and its associate, for the quarter ended 31 March, 2025 and for the period from 01 April 2024 to 31 March, 2025 ("the Statement") attached herewith, being submitted by "the Holding Company" pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("LODR Regulations").

In our opinion and to the best of our information and according to the explanations given to us, and based on the unaudited financial statements/financial information of the associate as submitted to us by the Board of Directors, the Statement:

- a. includes the results of the following entity:
 - a) KVK Raju International Leadership Limited (Associate)
- b. is presented in accordance with the requirements of Regulation 33 of the LODR Regulations, as amended; and
- c. gives a true and fair view, in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of consolidated total comprehensive loss and other comprehensive loss and other financial information of the associate for the quarter ended 31st, March 2025 and for the period from 01 April 2024 to 31 March, 2025.





P. MURALI & Co.,
CHARTERED ACCOUNTANTS
6-3-655/2/3, SOMAJIGUDA,
HYDERABAD - 500 082. T.G, INDIA.

Tel. : (91-40) 2332 6666, 2331 2554
(91-40) 2339 3967, 2332 1470
(91-40) 2332 2119, 2331 7032
Fax : (91-40) 2339 2474
Email : pmurali.co@gmail.com
info@pmurali.com
Website : www.p murali.com

II. Basis for Opinion:

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group, its associates and jointly controlled entities in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

III. Emphasis of Matter

We refer to the following notes to "the Statement":

a) Relating to "Non Going Concern":

- i Note No. 4: Consequent to the settlement of Debt vide receipt of sale proceeds from Core and Non-Core assets by ACRE, there are no other assets including property plant and equipment left with the Company for operations. "No Dues and Security release Certificate" from ACRE was received on 11th July 2024, thereby affecting the Going Concern of the Company and accordingly drawn the Financial statements for the year ended on March 31, 2025 on a non going concern basis.
- ii Note No. 5: Without considering the energy and other claims from the Government, the current liabilities exceed the current assets by Rs. 86,095.55 Lakhs.

b) Note No 6: There are various claims against the company which are in dispute in various forums, courts, appeals, including arbitration awards.

Contingent liabilities/claims amounting to around Rs 81,596.07 lacks are not confirmation of dues but a record of disputes.

GAIL has recovered interest in the past since 2018 and also raising claims for interest post the sale of assets on the amounts due. The company is disputing interest being claimed by





P. MURALI & Co.,
CHARTERED ACCOUNTANTS
6-3-655/2/3, SOMAJIGUDA,
HYDERABAD - 500 082. T.G, INDIA.

Tel. : (91-40) 2332 6666, 2331 2554
(91-40) 2339 3967, 2332 1470
(91-40) 2332 2119, 2331 7032
Fax : (91-40) 2339 2474
Email : pmurali.co@gmail.com
info@pmurali.com
Website : www.pmurali.com

GAIL since 2018 “after the issuance of Office Memorandum (OM) by the Government and establishment of escrow account”.

- c) Note No 7: Given the financial situation NFCL therefore assigned its rights in favour of AMPL to represent it in all legal forums/proceedings to pursue claims from GAIL including Arbitration claim in its name as an assignee along with agency coupled with interest under the provisions of Indian Contract Act, 1872. Should GAIL satisfy the award in the future, NFCL shall use the award as it deems fit after clearing its liabilities.
- d) Note No 8: Claim from a related party asserting its right for Royalty for the period from 29.01.1998 to 31.12.2021. The company agreed without impairment and prejudice to the rights of AMPL in any manner whatsoever to settle the claims in a manner such that the dues are secured and paid on a priority basis from the receipts if any from claims against GAIL if and when GAIL satisfies the award in relation to pipeline accident.
- e) Note No 9: De-escalation of Urea subsidy and De-escalation of Gas Costs used as Raw material and generation of Power for FY 2022-23.

The Subsidy income is recognised based on the notified Gas Pool prices for the time being in force and upon final notification of the prices the escalation / de-escalations are accounted for in the year in which these notifications are issued. During the 3rd quarter, the final Gas Pool price for the year 2022-23 has been notified by the DOF (Annual cumulative Gas Pool price has come down) in line with which GAIL has issued Credit note and NFCL has recognized reduction in Gas Costs by Rs. 17,555.01 Lakhs and correspondingly NFCL has reduced its Urea Subsidy claim by Rs. 16,879.16 Lakhs for FY 2022-23. Accordingly, the reduction in cost of raw material / power and fuel and consequent de-escalation of the subsidy revenues, respectively, belonging to FY 2022-23 have been accounted in line with the said notification and continued accounting policy. Further adjustments required, if any, will be considered on notification of final prices. As there is no production from 4th June 2024 there is no revenue from Operations to be recognised for the current quarter.

- f) Note No 10: The Government extended the preset energy norms which were valid till 31st March 2023. Accordingly, Subsidy income is recognized based on Target Energy Norms as per NUP-2015 policy for the Quarter ended June 2024 and there is no production from June 2024 as the Plants were sold.

Our Conclusion is not modified in respect of the above matter.





P. MURALI & Co.,
CHARTERED ACCOUNTANTS
6-3-655/2/3, SOMAJIGUDA,
HYDERABAD - 500 082. T.G, INDIA.

Tel. : (91-40) 2332 6666, 2331 2554
(91-40) 2339 3967, 2332 1470
(91-40) 2332 2119, 2331 7032
Fax : (91-40) 2339 2474
Email : pmurali.co@gmail.com
info@pmurali.com
Website : www.p murali.com

IV. Management's Responsibilities for the Consolidated Financial Results

These quarterly financial results as well as the year-to-date consolidated financial results have been prepared on the basis of the interim financial statements.

The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net profit/ loss and other comprehensive income and other financial information of the Group including its associates and jointly controlled entities in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the LODR Regulations. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associates and jointly controlled entities and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.





P. MURALI & Co.,
CHARTERED ACCOUNTANTS
6-3-655/2/3, SOMAJIGUDA,
HYDERABAD - 500 082. T.G, INDIA.

Tel. : (91-40) 2332 6666, 2331 2554
(91-40) 2339 3967, 2332 1470
(91-40) 2332 2119, 2331 7032
Fax : (91-40) 2339 2474
Email : pmurali.co@gmail.com
info@pmurali.com
Website : www.pmurali.com

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

V. Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial results.

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

- ❖ Identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ❖ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- ❖ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- ❖ Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to





P. MURALI & Co.,
CHARTERED ACCOUNTANTS
6-3-655/2/3, SOMAJIGUDA,
HYDERABAD - 500 082. T.G, INDIA.

Tel. : (91-40) 2332 6666, 2331 2554
(91-40) 2339 3967, 2332 1470
(91-40) 2332 2119, 2331 7032
Fax : (91-40) 2339 2474
Email : pmurali.co@gmail.com
info@pmurali.com
Website : www.p murali.com

draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and jointly controlled entities to cease to continue as a going concern.

- ❖ Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- ❖ Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.





P. MURALI & Co.,
CHARTERED ACCOUNTANTS
6-3-655/2/3, SOMAJIGUDA,
HYDERABAD - 500 082. T.G, INDIA.

Tel. : (91-40) 2332 6666, 2331 2554
(91-40) 2339 3967, 2332 1470
(91-40) 2332 2119, 2331 7032
Fax : (91-40) 2339 2474
Email : pmurali.co@gmail.com
info@pmurali.com
Website : www.p murali.com


VI. Other Matter

We did not audit the interim financial results of "the associate" included in the consolidated audited financial results, whose interim financial results reflect share of total assets of Rs. 0.00 as at 31st March, 2025, a total Revenues of Rs. 0.00 Lakhs and total comprehensive Income/ (loss) of Rs. 0.00 Lakhs for the quarter ended 31 March, 2025 and for the period from 01 April 2024 to 31 March, 2025.

These financial results are unaudited and have been furnished to us by the Board of Directors and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the associate, is based solely on such unaudited financial results. In our opinion and according to the information and explanations given to us by the Board of Directors, these interim Financial Results are not material.

Our opinion on the consolidated Financial Results is not modified in respect of the above matters with respect to the Financial Results/financial information submitted by the Board of Directors.

For P. Murali & Co
Chartered Accountants
FRN: 007257S


A Krishna Rao
Partner
M.No. 020085
UDIN: 25020085BMILFC6965



Place: Hyderabad
Date: 30.05.2025