

ANNUAL REPORT

2025-26



THE PHOSPHATE COMPANY LIMITED

THE PHOSPHATE COMPANY LIMITED

BOARD OF DIRECTORS

Shri Binod Khaitan	Non-Executive Director
Shri Hemant Bangur	Non-Executive Director
Smt. Sonali Sen	Independent Woman Director
Shri Gautam Bhattacharya	Independent Director
Shri Ajay Bangur	Executive Director & CEO

COMPANY SECRETARY

Shri Shankar Banerjee

CHIEF FINANCIAL OFFICER

Shri Nanda Kishore Kabra

STATUTORY AUDITORS

M/s. S.K.Agrawal and Co Chartered Accountants LLP Kolkata

BANKERS

State Bank of India, Kolkata

Canara Bank, Kolkata

REGISTRAR & SHARE TRANSFER AGENT

Maheshwari Datamatics Pvt. Ltd.

CIN : U20221WB1982PTC034886

23, R.N. Mukherjee Road, 5th Floor, Kolkata - 700001

Telephone : 033-22482248; E-mail: mdpldc@yahoo.com,

REGISTERED OFFICE

14, NETAJI SUBHAS ROAD KOLKATA -700001

Phone: 033-22300771 / 40351234

CIN:L24231WB1949PLC017664

E-mail: lakshmiphosphate@gmail.com,

Website:www.phosphate.co.in

WORKS

47, Ramkrishna Road, Rishra Hooghly- 712248 (WB)

Tel: 033-2672 1448/1497

E-mail: phosphaterishra@gmail.com

DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the 77th Annual Report of The Phosphate Company Limited, together with the Audited Financial Statements for the financial year ended 31st March, 2026.

Financial Highlights

Particulars	FY26	FY25	Change
Gross Revenue	₹149.17 Cr	₹137.77 Cr	▲ 8%
EBITDA	₹10.56 Cr	₹8.70 Cr	▲ 21%
PAT	₹4.52 Cr	₹3.46 Cr	▲ 31%
EPS	₹12.53	₹9.60	▲ 31%

Business Performance and Operations

FY 2025-26 marked another year of resilient growth for your Company. Despite significant volatility in raw material markets, particularly Sulphuric Acid and Spent Acid, the Company delivered improved operational and financial performance through disciplined procurement, efficient manufacturing, prudent inventory management and sustained market demand. Favourable monsoon conditions, higher subsidy support and improved market realisation further strengthened the Company's performance during the year.

Production & Sales

- Production of Green Single Super Phosphate (SSP) fertiliser was 75,890 MT, an increase of around 3% on a YoY basis.
- Sales of SSP (powder and granulated combined) were 77,458 MT, a growth of more than 6% compared with the previous year.

Subsidy

- Under the Nutrient-Based Subsidy (NBS) Policy, the Government of India has announced a subsidy of ₹8,149 per MT for SSP fertiliser for H1 of FY 2026-27, payable on sales made to farmers through Point-of-Sale (PoS) machines.
- Fertiliser subsidy was disbursed at ₹7,263 per MT during H1 of FY 2025-26, revised upward to ₹7,408 per MT for H2 of FY 2025-26.

New Products

As part of its strategic product diversification initiative, the Company expanded its range of Specialty Nutrient, Crop Protection Chemicals and Seeds under the SAMADHAN brand. The encouraging market response reinforces management's confidence in expanding this portfolio as an important driver of future growth. Simultaneously, the Company strengthened its product basket by marketing imported Di-Ammonium Phosphate (DAP), enhancing its ability to serve farmers through a broader range of crop nutrition solutions.

Outlook

Raw material prices are a key concern due to geopolitical tension and disruption to maritime trade routes. Looking ahead, the Company plans to:

- Expand the SAMADHAN brand by introducing additional varieties of paddy and other seeds, and widen the SNPC portfolio.
- Strengthen brand equity and the distribution network to capture incremental demand opportunities in the agri-input market.

Your Directors are confident that these initiatives will enable sustainable growth and improved financial performance in the coming years.

Dividend

Your Directors are pleased to recommend, for the approval of the Members at the ensuing Annual General Meeting, a dividend of 20%, i.e., Rs. 2.00 per equity share of Rs. 10/- each, on 36,07,480 equity shares for the financial year ended 31st March, 2026. The total dividend pay-out amounts to Rs. 72.15 lakh. The dividend, if approved, will be paid to those Members whose names appear in the Register of Members (or in the records of the depositories as beneficial owners) as on the Record Date, i.e., 16th September, 2026.

Transfer to General Reserves

No amount is proposed to be transferred to General Reserves.

Public Deposits

The Company has neither accepted nor holds any deposits under Section 73 of the Companies Act, 2013, as on 31st March 2026.

Risk Management

Pursuant to Section 134(3)(n) of the Companies Act, 2013, the Company has in place a comprehensive risk management framework to identify, evaluate, monitor and mitigate various business risks. Risks across different functions and departments are periodically reviewed, and appropriate mitigation measures are implemented to minimise their potential impact.

Based on the assessment carried out during the year under review, no risk has been identified that, in the opinion of the Board, may threaten the existence of the Company or materially affect its operations in the agro-input business.

The Company's Internal Audit function, in coordination with the respective departmental heads, periodically evaluates key business and operational risks and reviews the adequacy and effectiveness of the internal control systems. Observations and recommendations arising from such reviews are placed before the Audit Committee, which monitors implementation of corrective actions and the strengthening of internal control processes.

Statutory Auditors

M/s S.K. Agrawal and Co., Chartered Accountants LLP (Firm Registration No. 306033E/E300272), continue to hold office as Statutory Auditors of the Company until the conclusion of the 79th Annual General Meeting to be held in 2027, in accordance with the Companies Act, 2013.

The Statutory Auditors have audited the financial statements of the Company for the financial year ended 31st March 2026. The Auditors' Report on the standalone financial statements does not contain any qualification, reservation, adverse remark or disclaimer, and is self-explanatory. Accordingly, no further explanation from the Board is required under Section 134(3)(f) of the Companies Act, 2013.

Cost Audit

Pursuant to Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the Board of Directors, on the recommendation of the Audit Committee, has appointed M/s S. Gupta & Co., Cost Accountants (Firm Registration No. 000020), as Cost Auditors of the Company to conduct the audit of cost records for FY 2026-27, at a remuneration to be ratified by the Members at the ensuing Annual General Meeting.

Further, the Department of Fertilisers, Government of India, has directed the Company to undertake a Special Audit of Cost Data for FY 2026-27 under the Nutrient Based Subsidy (NBS) Policy, to examine the reasonableness of the Maximum Retail Price (MRP) of fertilisers. This Special Audit will also be conducted by M/s S. Gupta & Co., Cost Accountants.

Internal Audit

M/s Batliboi Purohit & Darbari, Chartered Accountants (FRN: 303086E), continue to serve as Internal Auditors for FY 2026–27.

Secretarial Audit

Pursuant to Section 204 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors has re-appointed CS Ajay Kumar Agarwal, Proprietor of M/s Agarwal A & Associates, Practising Company Secretaries (Certificate of Practice No. 13493, FCS No. 7604), as Secretarial Auditor of the Company for a term of five consecutive financial years commencing FY 2025–26, in accordance with the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Secretarial Audit Report for the financial year ended 31st March 2026, in Form MR-3, is annexed to this Report as Annexure I. The report does not contain any qualification, reservation, adverse remark or disclaimer requiring explanation from the Board.

The Company has complied with the applicable Secretarial Standards, namely SS-1 (Meetings of the Board of Directors) and SS-2 (General Meetings), issued by the Institute of Company Secretaries of India and approved by the Central Government.

Management Discussion and Analysis

A detailed overview of the Company's operations, industry structure, market outlook, opportunities, risks and internal controls is provided in the Management Discussion and Analysis Report, attached as Annexure II, which forms an integral part of this Report.

Board of Directors

Board Composition (as on 31st March 2026):

- Sri Binod Khaitan (DIN: 00128502) – Non-Executive, Non-Independent Director
- Sri Hemant Bangur (DIN: 00040903) – Non-Executive, Non-Independent Director
- Smt. Sonali Sen (DIN: 00451839) – Non-Executive, Independent, Woman Director
- Sri Gautam Bhattacharya (DIN: 10834784) – Non-Executive, Independent Director
- Sri Ajay Bangur (DIN: 00041711) – Executive Director & CEO

Re-appointment of Director Retiring by Rotation

In accordance with Section 152 of the Companies Act, 2013, and the Articles of Association of the Company, Sri Ajay Bangur (DIN: 00041711) retires by rotation at the ensuing Annual General Meeting and, being eligible, has offered himself for re-appointment.

The Board places on record its appreciation for the valuable guidance, leadership and significant contributions made by Sri Ajay Bangur during his tenure as Executive Director of the Company. In view of his extensive experience, expertise and continued contribution to the growth and affairs of the Company, the Board recommends his re-appointment to the Members for approval.

A brief profile of Sri Ajay Bangur, along with other disclosures required under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is provided in the Notice convening the ensuing Annual General Meeting.

Continuation of Independent Director in Terms of Corporate Governance Provision

Pursuant to Regulation 25(2A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, applicable to the Company with effect from 30th September 2026, the appointment or re-appointment of an Independent Director requires approval of the Members by way of a Special Resolution.

Sri Gautam Bhattacharya (DIN: 10834784) was appointed as an Independent Director of the Company by the Members through an Ordinary Resolution passed at the Annual General Meeting held on 23rd September 2025. To ensure continued compliance with the aforesaid Regulation and applicable provisions of the Companies Act, 2013, the approval of the Members is being sought by way of a Special Resolution at the ensuing Annual General Meeting for his re-appointment. Considering his profile, the Directors recommend his re-appointment.

A brief profile of Sri Gautam Bhattacharya, together with the disclosures required under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is set out in the Notice convening the ensuing Annual General Meeting.

Independent Directors' Declaration

The Company has received the necessary declarations from all Independent Directors confirming that they meet the criteria of independence prescribed under Section 149(6), and have submitted declarations pursuant to Section 149(7) of the Companies Act, 2013. The Independent Directors have also confirmed compliance with Regulation 16(1)(b) and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board of Directors has taken the said declarations on record and is satisfied that all Independent Directors continue to fulfil the criteria of independence prescribed under the Companies Act, 2013, and the SEBI Listing Regulations. The Board further confirms there has been no change in the circumstances affecting their status as Independent Directors during the year under review.

The Company has also ensured that the names of all Independent Directors are included in the databank maintained by the Indian Institute of Corporate Affairs (IICA), in compliance with the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014.

Board Meetings

During FY 2025-26, the Board met four times, on the following dates:

- 30th April 2025
- 31st July 2025
- 31st October 2025
- 30th January 2026

The interval between meetings was within the limits prescribed by the Companies Act, 2013 and SEBI Regulations.

Independent Directors' Meeting

During FY 2025-26, one meeting of the Independent Directors was held separately, on 27th January 2026, and inter alia discussed the following:

- Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole.
- Evaluation of the quality, contents and timeliness of the flow of information between management and the Board necessary for the Board to effectively and reasonably perform its duties.

Directors' Responsibility Statement

In accordance with Section 134(5) of the Companies Act, 2013, the Directors confirm that:

- (a) The applicable accounting standards have been followed.
- (b) Judgments and estimates used are reasonable and prudent.
- (c) Adequate accounting records have been maintained to safeguard assets and detect fraud.
- (d) The annual accounts have been prepared on a going concern basis.
- (e) Proper internal financial controls are in place and functioning effectively.
- (f) Compliance systems for applicable laws are adequate and operating effectively.

Board Induction and Familiarisation Programmes

Independent Directors are provided with comprehensive induction materials at the time of appointment, including the Company profile, Board structure, regulatory responsibilities, and expected roles.

Throughout the year, directors are regularly updated through presentations on business performance, key financials, industry trends, and relevant regulatory changes, to enable effective governance and oversight.

Nomination & Remuneration Policy

In compliance with Section 178(1) of the Act, the Company has adopted a policy on appointment and remuneration of Directors, KMPs and senior management. It outlines:

- Board composition and selection criteria
- Remuneration structure for different roles
- Attributes of independence and professional integrity
- Appointment terms and succession planning

The policy, based on recommendations of the Nomination & Remuneration Committee, is attached as Annexure III.

Committees of the Board

Committee	Chairperson	Members	Meeting(s) Held
Nomination & Remuneration Committee	Smt. Sonali Sen	Sri Hemant Bangur, & Sri Gautam Bhattacharya	31 Jul 2025
Audit Committee	Smt. Sonali Sen	Sri Gautam Bhattacharya, & Sri Ajay Bangur	30 Apr, 31 Jul, 31 Oct 2025; 30 Jan 2026

Committee	Chairperson	Members	Meeting(s) Held
Stakeholders' Relationship Committee	Sri Binod Khaitan	Sri Hemant Bangur, & Smt. Sonali Sen	30 Jan 2026
Corporate Social Responsibility (CSR) Committee	Sri Binod Khaitan	Sri Hemant Bangur, & Sri Gautam Bhattacharya	30 Apr 2025

Board Evaluation

Pursuant to the SEBI Listing Regulations and the Companies Act, 2013, a formal evaluation of the Board, its committees, and individual directors was carried out. Independent Directors were evaluated by the entire Board, while Non-Independent Directors and the Board as a whole were evaluated by the Independent Directors. The process covered Board diversity, performance, effectiveness, strategic inputs and governance standards. The results indicated a high level of engagement and satisfaction.

Key Managerial Personnel (KMP)

The following officials served as KMPs during the year:

- Sri Ajay Bangur – Executive Director & CEO (DIN: 00041711)
- Sri Nanda Kishore Kabra – Chief Financial Officer
- Sri Shankar Banerjee – Dy. Company Secretary & Compliance Officer

Subsidiary, Associates & Joint Ventures

The Company has no subsidiaries, associate companies or joint ventures during FY 2025–26.

Consolidated Financial Statements

Since there are no subsidiary or associate companies, preparation of consolidated financial statements is not applicable.

Listing of Shares

- BSE Limited (Scrip Code: 542123)
- Calcutta Stock Exchange Limited (Scrip Code: 26031)

Share Capital & Reconciliation

There has been no change in the capital structure of the Company during the year under review. The Equity Share Capital of the Company is Rs. 3,60,74,800 divided into 36,07,480 Equity Shares of Rs. 10/- each, as at the close of FY 2025-26.

As stipulated by the Securities and Exchange Board of India (SEBI), a Reconciliation of Share Capital Audit is carried out every quarter. The Report is placed before the Board of Directors and submitted to the Stock Exchanges.

Dematerialisation of Shares

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018, effective 1st April 2019, transfers of securities in physical form are no longer permitted; all transfers must be in dematerialised form.

The Company's shares are available for dematerialisation with both major depositories in India:

- ISIN: INE398C01016
- Depositories: National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)

As on 31st March 2026, approximately 95.95% of the total equity share capital stands dematerialised.

Prevention of Insider Trading

The Company's Code of Conduct for Prevention of Insider Trading, originally adopted in 2015, continues to be in force. It prohibits directors and employees from trading in the Company's securities while in possession of unpublished price-sensitive information.

The Company also maintains a tamper-proof structured digital database with an audit trail to record all communications of such sensitive information shared for legitimate purposes, in compliance with SEBI's requirements.

Transfer to Investor Education and Protection Fund (IEPF)

There was no unclaimed or unpaid dividend or other amount due for transfer to the Investor Education and Protection Fund during the year under review, in accordance with Section 124(5) of the Companies Act, 2013.

Internal Control System and its Adequacy

Your Company maintains a robust internal control framework that aligns with the scale and complexity of its operations. The Internal Auditor, who reports directly to the Chairman of the Audit Committee, monitors the implementation and effectiveness of controls across all functional areas. Significant audit observations and corrective action plans are reviewed periodically by the Audit Committee, ensuring continuous improvement and risk mitigation.

Loans, Guarantees and Investments under Section 186

During the financial year, the Company has not entered into any transaction involving loans, guarantees or investments requiring disclosure under Section 186 of the Companies Act, 2013.

Related Party Transactions

All transactions with related parties were conducted on an arm's length basis and in the ordinary course of business. Accordingly, disclosure in Form AOC-2 is not required.

Further, there were no material related party transactions that could potentially conflict with the interests of the Company. Disclosures required under Indian Accounting Standards are presented in the Notes to the Financial Statements.

The Company's Policy on Related Party Transactions is available on its website: <https://www.phosphate.co.in/financial-investors.html>

Code of Conduct

The Company has adopted a Code of Conduct applicable to all Directors, senior management and employees, based on principles of corporate governance, ethical business conduct, legal compliance, and commitment to the Company's values. It covers sustainable development, workplace ethics, occupational safety, transparency, gender sensitivity, and leadership by example.

Extract of Annual Return

In compliance with Section 92(3) of the Companies Act, 2013, the Annual Return in Form MGT-7 for the financial year ended 31st March 2026 is available on the Company's website: <https://www.phosphate.co.in/investors.html>

Vigil Mechanism / Whistle Blower Policy

The Company has implemented a Vigil Mechanism to encourage directors and employees to report genuine concerns regarding unethical behaviour, financial irregularities or misconduct. The mechanism ensures confidentiality, anonymity and non-retaliation. The Whistle Blower Policy is available on the Company's website and is periodically reviewed by the Audit Committee.

Change in the Nature of Business

There has been no change in the nature of the business of the Company during FY 2025–26.

Material Changes and Commitments

There are no material changes or commitments affecting the financial position of the Company between the end of the financial year and the date of this Report.

Significant Orders Passed by Regulators or Courts

There have been no significant or material orders passed by any regulator, tribunal or court during the year that could impact the going concern status or future operations of the Company.

Proceedings under the Insolvency and Bankruptcy Code, 2016

There were no proceedings filed by or against the Company pending under the Insolvency and Bankruptcy Code, 2016, as amended, before the National Company Law Tribunal or other courts.

Credit Rating

The Company's creditworthiness was reaffirmed by Acuite Ratings & Research Limited, which assigned:

- BBB– / Stable for fund-based working capital and term loan facilities
- A3+ for non-fund-based working capital facilities

Insurance

All tangible assets and major properties of the Company are adequately insured against fire, theft and other risks.

Energy Conservation, Technology Absorption, Foreign Exchange & Particulars of Employees

Energy Conservation

Steps taken towards energy conservation:

- Maintaining the overall power factor above 0.98 using a capacitor bank.
- Phase-wise replacement of high-watt Mercury/SOD lamps with less energy-consuming LED lamps, reducing lighting load.

Steps taken to utilise alternate sources of energy: the Company is exploring solar power in place of conventional power in some areas of the production process and factory lighting.

Technology Absorption

The Company continues to adopt contemporary manufacturing technologies to ensure product quality and efficiency.

Foreign Exchange

Particulars	2025–26	2024–25
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange Outgo – Purchase of Raw Materials	₹60,74,60,646	₹60,14,69,863
Foreign Exchange Outgo – Others	Nil	Nil

Particulars of Employees

Disclosures pursuant to Section 197 of the Companies Act, 2013, and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are provided in Annexure VI to this Report.

Corporate Governance

In terms of Regulation 15 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company is exempted from compliance with certain provisions relating to corporate governance. However, applicable parts of Schedule V of the SEBI Listing Regulations have been included in Annexure IV, forming part of this Report.

Corporate Social Responsibility (CSR)

As part of its commitment to inclusive growth, the Company undertook CSR activities during the year amounting to ₹5.40 lakh, contributed to the Human Development Centre towards installation of OCT machine and air-conditioners for Joynagar Eye Hospital in South 24 Parganas, West Bengal.

Disclosures required under Section 135 of the Companies Act, 2013, read with Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, are given in Annexure V to the Board Report.

The CSR Committee ensures alignment of social initiatives with the core values of people-centric development, healthcare and education.

Environment and Safety

The Company is conscious of ecologically clean and safe operations, and ensures its operations are carried out to safeguard all concerned and comply with statutory and industrial norms for environmental protection and conservation of natural resources to the optimum extent.

Prevention of Sexual Harassment

The Company is committed to providing a safe and respectful work environment for all employees. No complaint of sexual harassment was received during FY 2025–26.

Reporting of Frauds

There were no instances of fraud reported by the Statutory Auditors to the Board or to the Central Government under Section 143(12) of the Companies Act, 2013, during the year.

Human Resources

As on 31st March 2026, the Company employed 46 permanent staff. Human capital continues to be an important pillar of strength for the Company. The Company fosters a performance-driven culture and has maintained cordial industrial relations throughout the year. Disclosures under Section 197(12) are available in Annexure VI.

Acknowledgements

The Board places on record its gratitude for the continued support and cooperation from:

- Shareholders
- Customers
- Vendors and Business Partners
- Financial Institutions and Bankers
- Rating Agencies
- Government Authorities and Regulatory Bodies
- Stock Exchanges, Depositories, Auditors and Consultants

We also sincerely thank the Company's employees for their commitment and contributions towards the Company's performance and growth.

Place: Kolkata

Dated: 4th August 2026

On behalf of the Board of Directors
For The Phosphate Co. Ltd.

(Ajay Bangur)
Executive Director
DIN: 00041711

(Binod Khaitan)
Director
DIN: 00128502

Cautionary Statement

This Report contains forward-looking statements relating to the Company's future plans, objectives and expected performance. These statements are based on management's current expectations and assumptions. Actual results may differ materially due to various external factors, including market conditions, raw material prices, regulatory changes and macroeconomic conditions. The Company assumes no obligation to publicly revise or update any such statements based on subsequent events or developments.

ANNEXURE I

FORM No. MR3

**SECRETARIAL AUDIT REPORT
For The Financial Year Ended on 31st March, 2026**

*(Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014)*

To,
The Members,
THE PHOSPHATE COMPANY LIMITED
14 NETAJI SUBHAS ROAD,
KOLKATA-700001

We have been appointed by the Board of Directors of **The Phosphate Company Limited (L24231WB1949PLC017664)** (hereinafter called the Company) to conduct Secretarial Audit of the Company for the financial year ended 31st March, 2026.

We have conducted the secretarial audit for the compliance of applicable statutory provisions and the adherence to good corporate practices by **The Phosphate Company Limited** (hereinafter called **the Company**) having its Registered Office at 14 Netaji Subhas Road, Kolkata-700001, West Bengal. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, registers, forms, and returns filed and other records maintained by **The Phosphate Company Limited** ("the company") for the financial year ended on 31st March, 2026 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;- **(No such Transactions, hence not applicable to the Company during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') or by SEBI, to the extent applicable
 - (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 ;
- (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;
- (e) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (f) The following Acts, over and above other laws are specifically applicable to the Company as per the Management Representation Letter issued by the Company of even date:
- (g) Fertiliser (Control) Order 1985 issued under the Essential Commodities Act, 1955 by the Central Government.

2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') which are **not** applicable to the Company during the financial year under report:-

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (b) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

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

- (i) Secretarial Standards with respect to the board and general meetings issued by The Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("hereinafter referred to as "Listing Regulations").

4. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

5. We further report that:

- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- (ii) Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.
- (iii) All decision at Board Meetings and Committee Meetings are carried unanimously as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

6. We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the laws applicable specifically to the Company.

7. We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, to the best of our understanding, during the year under report, no specific events/actions have occurred having a major bearing on the Company's affairs in pursuance of the laws, regulations, guidelines, standards etc.

We further report that during the year review, the following material events occurred:

- a. **Mr. Binod Kumar Khaitan (DIN: 00128502)**, a Non-Executive, Non-Independent Director of the Company, who has attained the age of 82 years, was re-appointed as a Director of the Company, liable to retire by rotation, with effect from the conclusion of the **Annual General Meeting held on 23 September 2025**.
- b. **Mrs. Sonali Sen (DIN: 00451839)** was re-appointed as an **Independent Director** of the Company, not liable to retire by rotation, for a **second term** of five consecutive years up to **23 September 2029**, pursuant to the approval of the Members at the **Annual General Meeting held on 23 September 2025**.
- c. **Mr. Gautam Bhattacharya (DIN: 10834784)** was appointed as an Independent Director of the Company, not liable to retire by rotation, with effect from 23 September 2025, for a term of five (5) consecutive years up to 23 September 2029, pursuant to the approval of the Members at the **Annual General Meeting held on 23 September 2025**.

Place: Kolkata

Date: 3rd August, 2026

For **AGARWAL A & ASSOCIATES**
Company Secretaries

CS Ajay Kumar Agarwal
Proprietor

C.P No.:13493

M. No. : F7604

Peer Review No. 1592/2021

UDIN: F007604H001005018

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

ANNEXURE 'A'

To,
The Members,
THE PHOSPHATE COMPANY LIMITED
14 NETAJI SUBHAS ROAD,
KOLKATA-700001

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Kolkata
Date: 3rd August, 2026

For **AGARWAL A & ASSOCIATES**
Company Secretaries

CS Ajay Kumar Agarwal
Proprietor
C.P No.: **13493**
M. No. : **F7604**
Peer Review No. 1592/2021

UDIN: F007604H001005018

ANNEXURE II

MANAGEMENT DISCUSSION AND ANALYSIS

Cautionary Statement

Some of the statements in this report may be forward-looking and are made as required by applicable laws and regulations. Many factors may affect actual results, which could differ from what the Directors envisage in terms of future performance and outlook. The Company's performance is dependent on several external factors, such as the performance of the monsoon, government policy, and fluctuation in the prices and availability of raw materials and finished products, which could adversely affect the Company's operations.

Fertiliser Production & Consumption

India – Fertiliser Production & Consumption Trends (lakh tonnes)

	Production				Consumption – PoS		
	FY24	FY25	FY26		FY24	FY25	FY26
Urea	314	306	293		358	388	397
DAP	43	38	39		110	93	101
NPK	96	113	120		117	150	150
SSP	44	52	57		45	49	55
MOP	—	—	—		16	22	23

Note: Consumption includes import of fertiliser. As per Lok Sabha Questionnaire

Industry Review

India is the world's second-largest consumer of fertilisers and, despite being heavily import-dependent for raw materials, has emerged as the third-largest producer globally. The consumption of complex fertilisers continues to increase, largely at the expense of straight fertilisers, primarily due to labour shortages.

During FY2025-26, Single Super Phosphate(SSP) accounted for only 17.2% of total P_2O_5 production.

According to 2023 data published by FAI, India ranks second in global SSP consumption, following Brazil.

Government Policy

The Government of India has introduced PM-PRANAM, an integrated nutrient management scheme to encourage balanced fertiliser use. Further, for Kharif 2026, the Government has announced a subsidy of ₹8,149 per MT on the sale of SSP fertiliser to farmers through the Point-of-Sale (PoS) system.

Review of the Company

The LAKSHMI brand continues to be a trusted choice among farmers. In addition, the Company has expanded its product portfolio by launching Speciality Nutrient & Crop Protection Chemicals (SNPC) under the SAMADHAN brand, which is being well received in the market.

Opportunities and Risks

Opportunities

With its strong brand equity and established distribution network, the Company is well positioned to capture market share in new product categories. The recently launched SAMADHAN range is expected to gain positive traction among farmers.

Risks

The global fertiliser raw material supply chain remains under stress due to ongoing geopolitical conflicts, including the Russia–Ukraine war and tensions in the Middle East (USA, Israel–Iran). This could disrupt availability and impact costs.

Internal Control Systems and Adequacy

The Company maintains a robust internal control system, commensurate with the size and complexity of its operations. These controls ensure the safeguarding of assets against unauthorised use or loss, and that all transactions are properly authorised, recorded and reported in accordance with generally accepted accounting principles. The Internal Auditor periodically reviews these systems to ensure continued adequacy and effectiveness.

Disclosure of Accounting Treatment

The Financial Statements have been prepared as per IND-AS, in conformity with applicable accounting standards, with proper explanations justifying the cause of any deviation wherever it occurred. The Notes to the Financial Statements, read with the Auditors' Reports on financial statements, give the necessary disclosure of all relevant accounting treatments appended with the Directors' Report.

ANNEXURE III

POLICY FOR SELECTION & APPOINTMENT OF DIRECTORS & THEIR REMUNERATION

The Nomination and Remuneration Committee (the Committee) has adopted a policy which, inter alia, deals with the manner of selection of Board of Directors, CEO and Managing Director and their remuneration.

Criteria of selection of Non-Executive Directors

The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management. In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the degree of independence of the Directors in relation to the Company so as to enable the Board to discharge its function and duties effectively. The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013. The Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.

- i. Qualification, expertise and experience of the Directors in their respective fields;
- ii. Personal, Professional or business standing;
- iii. Diversity of the Board.

In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

Remuneration

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, and reimbursement of expenses for participation in the Board and Committee meetings. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board and Committees attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;

CEO& Managing Director - Criteria for selection / appointment

For the purpose of selection of the CEO& MD, the Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board. The Committee will also ensure that the prospective incumbent fulfils such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

Remuneration for the CEO& Managing Director

At the time of appointment or re-appointment, the CEO& Managing Director shall be paid such remuneration as may be mutually agreed between the Company (the Committee and the Board of Directors) and the CEO& Managing Director within the overall limits prescribed under the Companies Act, 2013. The remuneration shall be subject to the approval/ratification of the Members of the Company in General Meeting. The remuneration of the CEO& Managing Director comprises only of fixed component. The fixed component comprises salary, allowances, perquisites, amenities and retirement benefits.

Remuneration Policy for the Senior Management Employees

In determining the remuneration of the Senior Management Employees (i.e. KMPs and Executive Committee Members) the Committee shall ensure the relationship of remuneration and performance benchmark is clear. The Executive Director will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors mentioned herein-above, whilst recommending the annual increment and performance incentive to the Committee for its review and approval.

ANNEXURE IV

Disclosure Pursuant to Schedule V of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015**A. Related Party Disclosures****Compliance of Accounting Standards:**

No.	In the Accounts of	Particulars	Year-end balance	Maximum amount outstanding during the year.
1	Holding Company	Loans and Advance to Subsidiary Company	Nil	Nil
2	Subsidiary Company	Loans and Advance to Holding Company	Nil	Nil
3	Holding Company	Specified investments	Nil	Nil

Management Discussion and Analysis

Management discussion and analysis is presented in Annexure B forming a part of the Board's Report.

B. Disclosure of Accounting Treatment

Financial Statements have been prepared in consonance with the applicable Indian Accounting Standards (Ind AS).

C. Disclosures with respect to demat suspense account/ unclaimed suspense account

1	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	Nil
2	number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	Nil
3	number of shareholders to whom shares were transferred from suspense account during the year;	Nil
4	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year;	Nil
5	That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.	Nil

ANNEXURE V**REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES**

1. Brief outline on CSR Policy of the Company. The Company is aware of its social accountabilities and acts as a responsible corporate citizen. The policy is inclined towards sustainable development of the society and environment and improve our living standards. The Company believes that assimilating social, environmental and ethical responsibilities into the governance of businesses ensures effectiveness and sustainability in the long run.
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 attended
1	Shri Binod Khaitan	Director (Non-Independent)	One meeting was held on 30-04-2025	One
2	Shri Hemant Bangur	Director (Non-Independent)		One
3	Shri Gautam Bhattacharya	Independent Director		One

3. Details of the CSR Committee can be accessed at <https://www.phosphate.co.in/>
4. Impact assessment of CSR projects is not applicable.
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1	2023-24	Nil	Nil
2	2024-25	Nil	3,98,376
3	2025-26	3,98,376	Nil
Total		3,98,376	3,98,376

6. Average net profit of the company as per section 135(5).

Particulars	31-03-25	31-03-24	31-03-23
	Rs.	Rs.	Rs.
Profit Before Tax	4,77,55,960	3,18,01,141	6,48,84,120
Profit on sale of Fixed Assets	-1,09,379	36	-
Profit on redemption of mutual fund	-2,61,607	-11,64,142	-20,14,000
Revaluation of Investments	-1,41,229	1,15,390	-3,33,000
Adjusted Profit	4,72,43,745	3,07,52,425	6,25,37,120
Average profit	4,68,44,430		

ANNEXURE V

7. CSR Obligation

Particulars	Rs.
(a) Two percent of average net profit of the company as per section 135(5):	9,36,889
(b) Surplus arising out of the CSR projects or programs or activities of the previous financial years.	Nil
(c) Amount required to be set off for the financial year, if any.	3,98,376
(d) Total CSR obligation for the financial year (7a+7b-7c).	5,38,513

8. Excess Amount Set-off

Particulars	Rs.
(a) CSR amount spent or unspent for the financial year	5,40,000
(b) Details of CSR amount spent against ongoing projects for the financial year:	Nil
(c) Details of CSR amount spent against other than ongoing projects for the financial year:	5,40,000
(d) Amount spent in Administrative Overheads	Nil
(e) Amount spent on Impact Assessment	Nil
(f) Total amount spent for the Financial Year (8b+8c+8d+8e)	5,40,000
(g) Excess amount for set off, if any	1,487

9. Amount available for Set-off

Sl. No.	Particular	Rs.
(i)	Two percent of average net profit of the company as per section 135(5)	9,36,889
(ii)	Total amount spent for the Financial Year	9,38,376
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1,487
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	1,487

10. Unspent CSR amount for the preceding three financial years: Nil

11. Amount spent in the financial year for ongoing projects of the preceding financial years: Nil.

12. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No.

13. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135: NA

Place: Kolkata

Dated: 4th August 2026

On behalf of the Board of Directors
For The Phosphate Co. Ltd.

(Ajay Bangur)
Executive Director
DIN: 00041711

(Binod Khaitan)
Director
DIN: 00128502

ANNEXURE VI

[Pursuant to Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

1. The ratio of remuneration of each Director to the Median Remuneration of all employees who were on the payroll of the Company and the percentage increase in remuneration of the Directors during the financial year 2025-26 are given below:

Non-Executive Directors	Ratio to Median	Percentage Increase in Remuneration*
A) Independent		
i) Smt. Sonali Sen	0.25	12.50%
ii) Shri Gautam Bhattacharya	0.25	7.64%
B) Non Independent		
i) Shri Binod Khaitan	0.18	12.50%
ii) Shri Hemant Bangur	0.15	8.33%
C) Whole-time Director		
i) Shri Ajay Bangur	14.61	19.03%

Remarks:

- * Rate of Remuneration of the directors has changed in the current year compared to last year. The remuneration to Independent & Non-Independent Directors comprises of sitting fee is based on their attendance at meetings.
2. The percentage increase in remuneration of Company Secretary is 13.82% and Chief Financial Officer is 13.79%.
3. The percentage increase/(decrease) in the median remuneration of employees in the financial year is 52.52%
4. The number of permanent employees on the rolls of the Company as on 31st March 2026 is 46 against 49 as on 31st March 2025.
5. The percentage increase/(decrease) in the average salaries of employees, other than managerial personnel, in the last financial year is 8.37% as against 17.60% in the average salary of the managerial personnel as defined under the Act. The increment given to each individual employee is based on the employees' potential, experience as also their performance and contribution to the Company's progress over a period of time and also benchmarked against a comparable basket of relevant companies in India.
6. It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees, adopted by the Company.
7. The information required under Rule 5(2) and (3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 needs to be provided in the Annexure forming part of the Report. In terms of the 1st proviso to Section 136 of the Act, the Report and Accounts are being sent to the Shareholders excluding the aforesaid Annexure. Any Shareholder interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company.
8. There was no woman in the employment of the Company during the financial year 2025-26.

Place: Kolkata

Dated: 4th August 2026

On behalf of the Board of Directors
For The Phosphate Co. Ltd.

(Ajay Bangur)
Executive Director
DIN: 00041711

(Binod Khaitan)
Director
DIN: 00128502

Independent Auditor's Report

To the Members of **The Phosphate Company Limited**

Report on the audit of Ind AS financial statements

Opinion

We have audited the Ind AS financial statements of **The Phosphate Company Limited** ("the Company"), which comprise the balance sheet as at 31st March 2026, and the statement of profit and loss, (statement of changes in equity) and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information for the year ended on that date (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Ind AS Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

Key audit matters	How our audit addressed the key audit matter
Revenue from Sale of Goods	
The Company recognizes revenue when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. As described in the accounting policy in note 2(b) and as reflected in note 25 of the Ind AS financial statements, revenue from sale of goods is measured at fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates / incentives. The Company has various incentive schemes for its distributors which are based on volume of sales achieved during the stipulated period. The estimate of sales likely to be achieved by each distributor requires judgment.	Our audit procedure includes the following: • Considered the adequacy of the company's revenue recognition policy and its compliance in terms of Ind AS 115 "Revenue from contracts with customers" • Assessed the design and tested the operating effectiveness of the internal financial controls related to revenue recognition. • Performed sample tests of individual sales transaction and traced to sales invoices and other related documents. In respect of the samples selected, tested and the revenue has been recognized in accordance with Ind AS 115.

Independent Auditor's Report (Contd.)

Considering the judgment and estimates involved in revenue recognition, it is considered to be a key audit matter.	• We discussed and obtained an understanding from the management on the key assumptions applied and inputs used in estimating provisions for discounts, sales incentives and sales returns and compared the same with the past trends and the provision made by the management. • Selected Samples of rebates and discounts during the year, compared them with the supporting documents and perform recalculation of those variable considerations as per scheme documents. Assessed the relevant disclosure made in the Ind AS financial statement.
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We have determined that there are no other key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Other Section of Annual Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that gives a true and fair view of the financial position, financial performance, Changes in Equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making 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 financial statements that gives a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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

Independent Auditor's Report (Contd.)

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 Ind AS 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 Ind AS 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 Companies Act, 2013 we are also responsible for expressing our opinion on whether the Company has adequate internal financial control 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 ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

- I. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013 and according to the information and explanations given to us and also on the basis of such checks as we considered appropriate, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- II. 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;

Independent Auditor's Report (Contd.)

- b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statements of Cash Flows dealt with by this report are in agreement with the books of account;
- d. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of the written representations received from the directors as on March 31, 2026 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026, from being appointed as a director in terms of section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note no. 35 of the Ind AS financial statements).
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There has been no delay in transferring the amount, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

Independent Auditor's Report (Contd.)

- v. The dividend declared by the Company during the year ended 31 March 2026 is in compliance with Section 123 of the Companies Act, 2013.
- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its account books 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. Additionally, the audit trail of prior years has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.

For S K AGRAWAL AND CO
CHARTERED ACCOUNTANTS LLP
Chartered Accountants
Firm Registration No.-306033E/E300272

Hemant Kumar Lakhotia
(Partner)
Membership No. 068851
UDIN: 26068851GOBBHD2015

Place: Kolkata
Dated: May 25, 2026

Annexure A referred to in paragraph under the heading “Report on other legal and regulatory requirements” of our report of even date

In terms of the information and explanations sought by us and given by **The Phosphate Company Limited (“the Company”)** and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- i. (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
B. The Company does not have any intangible asset and hence reporting under clause 3(i)(a)(B) is not applicable.
- (b) All Property, Plant and Equipment have not been physically verified by the management during the year but there is a regular programme of verification of all the Property, Plant and Equipment over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties, as disclosed in Note 3 on Property, plant and equipment to the financial statements, are held in the name of the Company.
- (d) The Company has not revalued any of its Property, Plant and Equipment 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 during the year by the management at regular intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification is commensurate with the size of the Company and no discrepancies of 10% or more in aggregate for each class of inventory were noticed by the Company.
- (b) As disclosed in Note 40 of the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The company is required to file Financial Follow-up Report I at the end of each quarter which contains profitability statement and Financial Follow-up Report II at the end of each quarter which contains statement of assets and liabilities. Based on the records examined by us in the normal course of audit of the financial statements, the statements filed by the Company at each quarter end with such banks are in agreement with the books of accounts of the Company.
- iii. The Company has not granted any loans, or advance in nature of loan, stood guarantee, or provided security to any other entity. Accordingly, paragraph 3(iii)(a), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order is not applicable to the Company.
- iv. The Company has complied with the provisions of sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits under the provisions of Section 73 to Section 76 of the Companies Act, 2013 during the year. Hence, the provisions of Clause (v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost record under section 148 (1) of the Act, and are of the opinion that prima facie the prescribed accounts and records

Independent Auditor's Report (Contd.)

have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.

- vii According to the information and explanations given to us in respect of statutory dues:
- (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Goods & Service Tax, Sales Tax, Value Added Tax, duty of Custom, duty of Excise, Cess, and other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2026 for a period of more than six months from the date they became payable.
 - (b) There are no dues of income tax, duty of customs, service tax, sales tax, duty of excise and value added tax which have not been deposited with the appropriate authorities on account of any dispute. Accordingly, the requirement to report on clause 3(vii)(b) of the Order is not applicable to the Company.
- viii . The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) The Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
 - (c) The term loans were applied for the purpose for which they were raised.
 - (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) On an overall examination of the financial statements of the Company, the Company has not raised any money from any person or entity on account of or to pay the obligations of its subsidiary.
 - (f) The Company has not raised any loans during the year by pledging securities held in their subsidiary. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) No material fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given by the management, during the year, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of The Companies (Audit and Auditor) Rules, 2014 with the Central Government.
 - (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

Independent Auditor's Report (Contd.)

- xii. The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- xiv (a) In our opinion and according to the information and explanation given to us, the internal audit system of the Company is commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report covering period up to 31st March, 2026, have been considered by us.
- xv. According to information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- xvi (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs as part of the Group. Accordingly, the reporting under Clause 3(xvi)(d) of the Order is not applicable.
- xvii The Company has not incurred cash losses during the financial year under audit and the immediately preceding financial year.
- xviii There has been no resignation of the statutory auditors of the Company during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios disclosed in note 41 to the Standalone Financial Statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. As disclosed in Note 37 of the financial statements, there are no unspent amount which is required to be transferred in compliance with Section 135(5) and 135(6) of the Companies Act, 2013.

Independent Auditor's Report (Contd.)

xxi The Company does not have any subsidiaries, Associates or Joint venture and as such the
· Company is not required to prepare consolidated financial statements. Hence, paragraph
 3(xxi) of the Order is not applicable.

For **S K AGRAWAL AND CO**
CHARTERED ACCOUNTANTS LLP
Chartered Accountants
Firm Registration No.-306033E/E300272

Hemant Kumar Lakhotia
(Partner)
Membership No. 068851
UDIN: 26068851GOBBHD2015

Place: Kolkata
Dated: May 25, 2026

Independent Auditor's Report (Contd.)

Annexure -B to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of **The Phosphate Company Limited** ("the Company") as of March 31, 2026 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Independent Auditor's Report (Contd.)

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For S K AGRAWAL AND CO
CHARTERED ACCOUNTANTS LLP**

Chartered Accountants

Firm Registration No.-306033E/E300272

Hemant Kumar Lakhotia

(Partner)

Membership No. 068851

UDIN: 26068851GOBBHD2015

Place: Kolkata

Dated: May 25, 2026

The Phosphate Company Limited

Balance Sheet as at 31st March, 2026

		Amount in Rs lacs	
Particulars	Notes	31st March, 2026	31st March, 2025
ASSETS			
I. Non-current assets			
a) Property, Plant and Equipment	3	6,770.52	6,842.18
b) Capital work-in-progress	3	-	-
c) Financial Assets			
i) Investments	4	1,000.26	1,000.26
ii) Others Financial Assets	5	53.36	54.78
d) Deferred tax assets (net)	6	214.41	203.42
		8,038.55	8,100.64
II. Current assets			
a) Inventories	7	3,165.01	2,703.72
b) Financial Assets			
i) Investments	8	706.43	28.98
ii) Trade receivables	9	1,117.72	730.64
iii) Cash and cash equivalents	10	904.71	6.76
iv) Other Bank Balances	11	66.78	118.80
v) Other Financial Assets	12	160.64	134.77
c) Other Current Assets	13	1,108.35	823.43
		7,229.64	4,547.10
		15,268.19	12,647.74
EQUITY AND LIABILITIES			
A. Equity			
a) Equity Share Capital	14	360.75	360.75
b) Other Equity	15	8,857.37	8,426.28
		9,218.12	8,787.03
B. Liabilities			
I. Non-current liabilities			
a) Financial Liabilities			
i) Borrowings	16	989.00	997.12
ii) Other Financial liabilities	17	130.33	122.23
b) Provisions	18	46.30	33.37
		1,165.63	1,152.72
II. Current liabilities			
a) Financial Liabilities			
i) Borrowings	19	1,380.64	993.72
ii) Trade payables	20	3,016.92	1,199.01
a) total outstanding dues of micro and small enterprises; and	20	57.59	20.71
b) total outstanding dues of creditors other than micro and small enterprises	20	2,959.33	1,178.30
iii) Other financial liabilities	21	106.55	54.19
b) Other current liabilities	22	201.58	292.02
c) Provisions	23	66.08	58.63
d) Current Tax Liabilities (Net)	24	112.67	110.42
		4,884.44	2,707.99
		15,268.19	12,647.74
Total Equity and Liabilities			

Material Accounting Policies

2

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.

For, S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP
Chartered Accountants
Firm Registration Number: 306033E/E300272

Hemant Kumar Lakhotia
(Partner)
Membership No. 068851

Place: **Kolkata**
Dated: **25th May 2026**

For and on behalf of the Board of Directors

Ajay Bangur
Executive Director
DIN:00041711

Sonali Sen
Independent Director
DIN:00451839

Nanda Kishore Kabra
Chief Financial Officer

Shankar Banerjee
Company Secretary
Membership No.A45073

Statement of Profit & Loss for the year ended 31st March 2026

Particulars	Notes	Amount in Rs lacs	
		31st March, 2026	31st March, 2025
I Income			
Revenue from Operations	25	14,563.42	12,736.19
Other Income	26	93.84	24.37
Total income		14,657.26	12,760.56
II Expenses			
Cost of Materials Consumed	27	9,201.86	7,481.02
Purchase of Trading Goods	28	918.34	1,421.99
(Increase)/Decrease in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	29	(125.04)	(149.51)
Employee benefit expenses	30	578.80	506.81
Other expenses	31	3,027.72	2,630.48
Total expenses		13,601.68	11,890.79
III Profit before Interest, Depreciation and Tax (EBIDTA) (A-B)		1,055.58	869.77
Finance costs	32	353.78	294.56
Depreciation and amortisation expense	3	73.43	97.65
IV Profit before tax (A-B)		628.37	477.56
V Tax expense:			
(1) Current tax		168.04	166.19
(2) Provision for Earlier Years		19.24	11.23
(3) Mat Credit Entitlement		-	-
(4) Deferred tax		(10.99)	(46.00)
VI Profit for the Year (IV-V)		452.08	346.14
VII Other Comprehensive Income			
Items that will not be classified to statement of Profit or Loss			
Remeasurements of the defined benefit liabilities		(20.99)	(18.21)
Total Comprehensive Income for the Year (VI+VII)		431.09	327.93
Earnings per equity share			
Basic & Diluted		12.53	9.60
Cash		14.26	11.03

Material Accounting Policies

2

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.

**For, S K AGRAWAL AND CO CHARTERED
ACCOUNTANTS LLP**
Chartered Accountants
Firm Registration Number: 306033E/E300272

For and on behalf of the Board of Directors

Hemant Kumar Lakhotia
(Partner)
Membership No. 068851

Ajay Bangur
Executive Director
DIN:00041711

Sonali Sen
Independent Director
DIN:00451839

Place: **Kolkata**
Dated: **25th May 2026**

Nanda Kishore Kabra
Chief Financial Officer

Shankar Banerjee
Company Secretary
Membership No.A45073

Statement of Changes in Equity for the year ended 31st March,2026
a. Equity Share Capital

Amount in Rs lacs

Equity Shares of Rs. 10/- each issued, subscribed and fully paid up

Balance as at 1 April, 2024	360.75
Changes in Equity Share Capital during the year 2024-25	-
Balance as at 31 March ,2025	360.75
Changes in Equity Share Capital during the year 2025-26	-
Balance as at 31 March, 2026	360.75

b. Other Equity

Particulars	Reserve and Surplus			Total Other Equity
	Securities Premium	General Reserve	Retained Earnings	
Balance as at 1 April, 2024	262.50	6,490.34	1,345.51	8,098.35
Profit for the year			346.14	346.14
Amount Transferred to General Reserve		-	-	
Other Comprehensive Income			(18.21)	(18.21)
Balance as at 31 March, 2025	262.50	6,490.34	1,673.44	8,426.28
Balance as at 1 April, 2025	262.50	6,490.34	1,673.44	8,426.28
Profit for the year			452.08	452.08
Amount Transferred to General Reserve				
Other Comprehensive Income			(20.99)	(20.99)
Balance as at 31 March, 2026	262.50	6,490.34	2,104.53	8,857.37

Nature and Purpose of Reserves

A) **Securities Premium:** This reserve represents premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

(B) **General Reserve:** This reserve includes transfer of Profit from retained earnings from time to time. It also includes reserve created on fair valuation of land. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

(C) **Retained Earnings :** This reserve represents undistributed cumulative profits of the Company and can be utilized in accordance with the provisions of the Companies Act, 2013.

(D) **Other comprehensive Income Reserves :** This reserve represents effects of remeasurements of defined benefit plans that will not be reclassified to Statement of Profit & Loss.

Material Accounting Policies

2

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.

**For, S K AGRAWAL AND CO CHARTERED
ACCOUNTANTS LLP**
Chartered Accountants
Firm Registration Number: 306033E/E300272

For and on behalf of the Board of Directors

Hemant Kumar Lakhota
(Partner)
Membership No. 068851

Ajay Bangur
Executive Director
DIN:00041711

Sonali Sen
Independent Director
DIN:00451839

Place: **Kolkata**
Dated: **25th May 2026**

Nanda Kishore Kabra
Chief Financial Officer

Shankar Banerjee
Company Secretary
Membership No.A45073

Cash Flow Statement for the year ended 31st March'2026		Amount in Rs lacs	
Particulars	31st March, 2026	31st March 2025	
A. Cash Flow from Operating Activities			
Net Profit before Tax	628.37	477.56	
Add: Adjustments for Non Cash & Non Operating Items			
Interest Received	(18.24)	(14.50)	
Interest Paid	308.65	245.86	
Depreciation of Property plant & Equipment	73.43	97.65	
Liability no longer required written back	(68.46)	-	
Profit on Redemption of Mutual Fund	(3.63)	(2.62)	
(Gain)/loss on Measuring investments at Fair Value through Profit or loss	(2.48)	(1.41)	
Profit on Sale of property,plant and equipment	(0.99)	(1.09)	
Other Misc Income			
Operating Profit before Working Capital Changes	916.65	801.45	
Add: Increase/Decrease in Working Capital			
Increase in Current Liabilities	1,795.93	194.82	
(Increase)/Decrease in Non-Current/Current Financial and other Assets	(231.48)	(235.65)	
Increase/(Decrease) in Non-Current/Current Financial and other Liabilities	60.46	40.37	
Increase/ (Decrease) in Provision	(0.61)	(13.74)	
(Increase)/Decrease in Inventories	(461.29)	(978.35)	
(Increase)/ DecreaseTrade & Other Receivables	(412.95)	(152.85)	
Cash generated from Operation	1,666.71	(343.95)	
Less: Direct Tax Paid (net of refunds)	(185.03)	(156.04)	
Net Cash flow from/ (used in) operating Activities	1,481.68	(499.99)	
B. Cash Flow from Investing Activities			
Purchase of Property,Plant & Equipment	(2.24)	(5.90)	
Proceeds from Sale of Property,Plant & Equipment	1.47	2.29	
Interest Received	18.24	14.50	
Proceeds from Sale of Mutual Fund	920.58	409.59	
Purchase of Mutual Fund	(1,591.93)	(195.00)	
Net Cash used in Investing Activities	(653.88)	225.48	
C. Cash Flow from Financing Activities			
(Repayment of) / Proceeds from Long Term Borrowings (Net)	(8.12)	(261.57)	
(Repayment of) / Proceeds from Short Term Borrowings (Net)	386.92	228.78	
Less: Interest Paid	(308.65)	(245.86)	
Net Cash used in Financing Activities	70.15	(278.65)	
Net Changes in Cash & Cash Equivalents (A+B+C)	897.95	(553.16)	
Cash & Cash Equivalents-Opening Balance	6.76	559.92	
Cash & Cash Equivalents-Closing Balance#	904.71	6.76	
Cash and cash equivalents consists			
Balances with Bank	900.38	0.18	
Cash on Hand	4.33	6.58	
Cash and cash equivalents as at year end	904.71	6.76	
As per our report of even date attached.			

**For, S K AGRAWAL AND CO CHARTERED
ACCOUNTANTS LLP**
Chartered Accountants
Firm Registration Number: 306033E/E300272

Hemant Kumar Lakhotia
(Partner)
Membership No. 068851

Place: **Kolkata**
Dated: **25th May 2026**

For and on behalf of the Board of Directors

Ajay Bangur
Executive Director
DIN:00041711

Sonali Sen
Independent Director
DIN:00451839

Nanda Kishore Kabra
Chief Financial Officer

Shankar Banerjee
Company Secretary
Membership No.A45073

Notes to Financial Statements as at and for the year ended March 31,2026

1. Company Overview

The Phosphate Company Limited ("the Company") is a limited company incorporated in India, having its registered office situated at 14, Netaji Subhas Road, Kolkata. The Company has its shares listed on Calcutta Stock Exchange Limited (CSE) and BSE Limited (BSE). The Company is primarily engaged in manufacturing and trading of farm inputs comprising of fertiliser, crop protection, specialty nutrients, acids and organic compost. The manufacturing unit of the company is located at Rishra, West Bengal.

2. Material Accounting Policies

a) Basis of Preparation

These accounts have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act 2013 ("Act") read with relevant Rules. These financial statements are prepared in accordance with historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values.

b) Revenue from Contract with Customer

Revenue is measured at the fair value of the consideration received or receivable, net of returns, discounts, volume rebates, outgoing sales taxes and goods and service tax. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company regardless of when the payment is being made. The specific recognition criteria described below must also be met before revenue is recognised.

Sale of Products

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, net of returns, discounts, volume rebates, and goods and service tax. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognised.

Contract balances

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Refund Liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Refer to above accounting policy on variable consideration.

Dividend income is recognized when the company's right to receive dividend is established. Interest income is recognized using the effective interest method. All other income are recognized on accrual basis.

c) Subsidy

Subsidy / Concession receivable on the Company's product are accounted when there is a reasonable assurance and certainty that such subsidy will be receivable and the company will be able to comply with the requirements attached with its realisation.

d) Property, Plant & Equipment

Property, Plant and Equipment are stated at cost, less accumulated depreciation and accumulated impairment loss, if any. The cost of Property, Plant & Equipment comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. Interest and other financial charges on loans borrowed specifically for acquisition of capital assets are capitalized till the start of commercial production.

Depreciation is provided on the straight line method except for building which is provided on written down value method over the estimated useful lives of assets and are in line with the requirements of Part C of Schedule II of the Companies Act, 2013.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as Capital Advances under other Non-Current Assets and the cost of assets not put to use before such date are disclosed under 'Capital Work in Progress'.

The cost and related accumulated depreciation are eliminated from the Financial Statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit & Loss. The method of depreciation, useful lives and residual values are reviewed at each financial year end and adjusted prospectively, if appropriate.

Notes to Financial Statements as at and for the year ended March 31, 2026**e) Inventories**

Inventories are valued at cost or net realisable value whichever is lower. Closing stock has been valued on FIFO basis. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its location and includes, where applicable, appropriate overheads based on normal level of activity.

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

f) Financial Instruments**Initial recognition and measurement**

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

Subsequent measurement**i. Non derivative financial instruments****1) Financial assets carried at amortized cost**

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

4) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

ii. Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value through profit or loss.

Derecognition of financial instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

g) Fair Value Measurement

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- i) Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- ii) Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- iii) Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Notes to Financial Statements as at and for the year ended March 31,2026

h) Impairment

Impairment is recognized based on the following principles:

Financial Assets

The Company recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at life time ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

Non-Financial Assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash- generating unit) Non- financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of reporting period.

i) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

j) Foreign Currency Transactions & Translations

The functional currency of the Company is Indian Rupee. These Financial Statements are presented in Indian Rupee.

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction. Gains & losses arising on account of realization are accounted for in the Statement of Profit & Loss.

Monetary Assets & Liabilities in foreign currency that are outstanding at the year end are translated at the year end exchange rates and the resultant gain/loss is accounted for in the Statement of Profit & Loss.

k) Cash and Cash Equivalents

Cash and Cash Equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

l) Employee Benefits

Defined Contribution Plan

The Company makes contributions towards provident fund to the regulatory authorities to a defined contribution retirement benefit plan for qualifying employees, where the Company has no further obligations. Both the employees and the Company make monthly contributions to the Provident Fund Plan equal to a specified percentage of the covered employee's salary.

Defined Benefit Plan

The Company operates a defined benefit gratuity plan in India, comprising of Gratuity fund with an approved trust. The Company's liability is actuarially determined using the Projected Unit Credit method at the end of the year in accordance with the provision of Ind AS 19 - Employee Benefits.

The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods.

The Company recognises the changes in the net defined benefit obligation like service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements and net interest expense or income, as an expense in the Statement of Profit and Loss.

Short term employee benefits are charged off at the undiscounted amount in the year in which the related services are rendered.

Notes to Financial Statements as at and for the year ended March 31, 2026**Other long term employee benefits**

The Company treats accumulated leaves expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the end of each financial year. This benefit is not funded. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred.

m) Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

n) Income Taxes

Income tax expense is recognized in the Statement of Profit & Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Provision for current tax is made at the current tax rates based on assessable income.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

o) Earnings per Share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

p) Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2026, MCA notified amendments to Ind AS 1 - Presentation of Financial Statements, Ind AS 7 - Statement of Cash Flows, Ind AS 107 - Financial Instruments: Disclosures, Ind AS 12 - Income Taxes and Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, effective from April 1, 2025. The Company has assessed these amendments and concluded that they do not have a material impact on its financial statements

Notes to Financial Statements as at and for the year ended March 31,2026

Note 3 Property, plant and equipment (Current Year)

Amount in Rs lacs

Description	Gross block				Accumulated depreciation				Net block	
	1 April 2025	Additions	Disposals/ Adjustments	31 March 2026	1 April 2025	Additions	Disposals/ Adjustments	31 March 2026	31 March 2026	31 March 2025
Freehold land	6,298.27	-		6,298.27	-			-	6,298.27	6,298.27
Building	387.08	-		387.08	166.32	13.28		179.60	207.48	220.76
Plant and machinery	920.16	1.44		921.60	607.48	58.06		665.54	256.06	312.68
Computers	7.80	0.21	-	8.01	5.35	0.53	-	5.88	2.13	2.45
Water & Acid Installation	16.81	-		16.81	11.87	0.84		12.71	4.10	4.94
Laboratory Equipment:	4.67	-		4.67	4.24	0.15		4.39	0.28	0.43
Furniture & Fittings	8.09	0.60	-	8.69	6.19	0.57	-	6.76	1.93	1.90
Motor Cars & Trucks	5.24		0.48	4.76	4.54		-	4.54	0.22	0.70
Electric Installation	0.10	-		0.10	0.05	-		0.05	0.05	0.05
Total Tangible Assets	7,648.22	2.25	0.48	7,649.99	806.04	73.43	-	879.47	6,770.52	6,842.18
Capital work-in-progress	-			-				-	-	-
Total	7,648.22	2.25	0.48	7,649.99	806.04	73.43	-	879.47	6,770.52	6,842.18

Note 3 Property, plant and equipment (Previous Year)

Description	Gross block				Accumulated depreciation				Net block	
	1 April 2024	Additions	Disposals/ Adjustments	31 March 2025	1 April 2024	Additions	Disposals/ Adjustments	31 March 2025	31 March 2025	31 March 2024
Freehold land	6,298.27	-		6,298.27	-			-	6,298.27	6,298.27
Building	387.08	-		387.08	152.04	14.28		166.32	220.76	235.04
Plant and machinery	880.72	39.44		920.16	527.83	79.65		607.48	312.68	352.89
Computers	6.94	0.86	-	7.80	4.72	0.63	-	5.35	2.45	2.22
Water & Acid Installation	16.81			16.81	10.58	1.29		11.87	4.94	6.23
Laboratory Equipment:	4.67			4.67	4.08	0.16		4.24	0.43	0.59
Furniture & Fittings	7.58	0.51	-	8.09	5.53	0.66	-	6.19	1.90	2.05
Motor Cars & Trucks	15.23		9.99	5.24	12.35	0.98	8.79	4.54	0.70	2.88
Electric Installation	0.10			0.10	0.05	-		0.05	0.05	0.05
Total Tangible Assets	7,617.40	40.81	9.99	7,648.22	717.18	97.65	8.79	806.04	6,842.18	6,900.22
Capital work-in-progress	34.91		34.91	-				-	-	34.91
Total	7,652.31	40.81	44.90	7,648.22	717.18	97.65	8.79	806.04	6,842.18	6,935.13

Capital Work-In-Progress

(a) Capital work-in-progress ageing Schedule

Intangible Assets under development	31st March 2026			31st March 2025		
	Amount in CWIP for a period of			Amount in CWIP for a period of		
	Less than 1 Year	1-2 Years	Total	Less than 1 Year	1-2 Years	Total
Projects in progress						-

CWIP	31st March 2026			31st March 2025		
	To be completed in			To be completed in		
Project	Less than 1 Year	1-2 Years	Total	Less than 1 Year	1-2 Years	Total
Automation in SSP Plant				-	-	-

Notes to Financial Statements as at and for the year ended March 31,2026

	Amount in Rs lacs	
	As at March 31, 2026	As at March 31,2025
Note 4 Investments - Non Current		
Investments carried at cost(Unquoted)		
Investments In Preference Share		
Abhinandan Goods Pvt. Ltd.		
1,000 9% Compulsorily Reedemable Preference Shares of Rs.100000/- each	1,000.00	1,000.00
Investments in Government or trust securities	-	-
National Savings Certificate	0.26	0.26
	-	-
Total	1,000.26	1,000.26
 Aggregate amount of Unquoted Investments at Cost	 1,000.26	 1,000.26
Note 5 Others Financial Assets		
Financial assets carried at Amortised Cost		
(Unsecured, considered good)		
Security deposits	53.36	54.78
Total	53.36	54.78
 Note 6 Deferred Tax Asset/Liabilities (Net)		
Deferred Tax Assets		
Expenses allowable against taxable income in future years	241.35	236.57
Deferred Tax Liabilities	-	
Timing difference in depreciable assets	(26.94)	(33.15)
Total	214.41	203.42
 Note 7 Inventories		
(Valued at lower of cost or net realisable value)		
Raw Materials*	1,911.48	1,590.46
Packing Materials	37.35	38.93
Stores & Spare Parts	133.44	116.64
Finished Goods	807.97	869.96
Trading Goods	274.77	87.73
Total	3,165.01	2,703.72
 * Includes Stock-In-Transit	 805.81	 387.05
 Note 8 Investments - Current		
2,193.1490 Units of Kotak Liquid Fund - Growth option (Previous Year 558.2210)	120.82	28.98
2,856.7240 Units of Kotak Floating Rate Fund - Growth option (Previous Year NIL)	45.06	-
61,526.2340 Units of Aditya Birla Sunlife Liquid Fund -Growth option (Previous Year NIL)	270.29	-
66,986.9820 Units of ICICI Prudential Liquid Fund -Growth option (Previous Year NIL)	270.26	-
Total	706.43	28.98
Aggregate amount of Unquoted Investments at FVTPL	706.43	28.98
 Note 9 Trade Receivables		
(Unsecured, considered good)		
Financial Assets carried at amortised cost		
- Considered good	605.56	477.20
- Considered doubtful	12.84	10.21
	618.40	487.41
Less: Provision for Bad Debt	(12.84)	(10.21)
Sundry Debtors (Net)	605.56	477.20
Subsidy receivable from Central Government	512.16	253.44
Total	1,117.72	730.64

Notes to Financial Statements as at and for the year ended March 31,2026

		Amount in Rs lacs	
		As at March 31, 2026	As at March 31,2025
Outstanding for the following periods from due date of transactions			
Particulars			
(i) Undisputed Trade Receivables - Considered Good			
Less than 6 Months		1,046.82	721.15
6 Months to 1 Year		54.91	1.33
1-2 Years		4.54	7.68
2-3 Years		10.97	-
More than 3 Years		-	-
Sub Total		1,117.24	730.16
(ii) Undisputed Trade Receivables - which have significant increase in credit risk			
More than 3 Years		-	-
Subtotal			
(iii) Dsputed Trade Receivables			
More than 3 Years		0.48	0.48
Sub Total		0.48	0.48
Total		1,117.72	730.64
Note 10 Cash and Cash Equivalents			
Financial Assets carried at amortised cost			
Balance with banks		0.38	0.18
Fixed deposits having original maturity less than 3 Months		900.00	-
Cash on hand		4.33	6.58
Total		904.71	6.76
Note 11 Other Bank Balances Financial			
Assets carried at amortised cost			
Fixed deposits having original maturity more than 3 months but less than 12 months (pledged)		66.78	118.80
Total		66.78	118.80
Note 12 Other Financial Assets- Current (Unsecured, considered good)			
Financial Assets carried at amortised cost			
Interest Receivable			
From Banks		1.63	3.16
Advance recoverable in cash or kind		159.01	131.61
Total		160.64	134.77
Note 13 Other Current Assets (Unsecured, considered good)			
Advance to suppliers		40.78	28.03
Advances against expenses		12.06	2.46
Prepaid expenses		7.64	4.25
		60.48	34.74
Input tax receivable		1,847.85	1,466.56
Less: Provision for GST Receivable		799.98	677.87
		1,047.87	788.69
Total		1,108.35	823.43

Notes to Financial Statements as at and for the year ended March 31,2026

	Amount in Rs lacs	
	March 31, 2026	March 31,2025
Note 14 Equity share capital		
Authorised capital		
1,00,00,000 (1,00,00,000) equity shares of ₹ 10 each	1,000.00	1,000.00
1,50,000 (1,50,000) Redeemable Preference Shares of ₹ 1000 each	1,500.00	1,500.00
	2,500.00	2,500.00
Issued, subscribed and Paid-up capital		
36,07,480 (36,07,480) equity shares of ₹ 10 each	360.75	360.75
(of the above 9,84,360 Equity Shares allotted as fully paid-up by way of Bonus Shares by capitalisation of Share Premium & General Reserve)	-	-
	360.75	360.75

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year.

	March 31, 2026		31 March 2025	
	No of shares	Amount	No of shares	Amount
Equity shares at the beginning of the year	36,07,480	360.75	36,07,480	360.75
Add: Share issued/buy back during the year	-	-	-	-
Equity shares at the end of the year	36,07,480	360.75	36,07,480	360.75

b) Rights/preferences/restrictions attached to equity shares

The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of shareholders holding more than 5% shares in the Company

	As on 31st March 2026		As on 31st March 2025	
	No of shares	% holding	No of shares	% holding
Madhav Trading Corpn. Ltd.	3,74,880	10.39	3,74,880	10.39
Nikate Khaitan	2,84,760	7.89	1,05,600	2.93
Shrivats Khaitan	2,31,000	6.40	2,31,000	6.40

d) Details of Shares held by Promoters at the end of the year

Sl. No.	Name	As at 31st March 2026			As at 31st March 2025		
		No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
1	AJAY BANGUR	44,194	1.23	0.93	10,800	0.30	0.08
2	AMVI TRADECOM PRIVATE LIMITED	-	-	(2.15)	77,730	2.15	(0.62)
3	ANIRUDH BANGUR	39,875	1.11	-	39,875	1.11	-
4	ARCHANA BANGUR	24,775	0.69	-	24,775	0.69	-
5	BANGUR TRAFIN PVT. LTD.	-	-	(0.08)	3,000	0.08	-
6	BIMALA DEVI	-	-	-	-	-	(0.15)
7	BINA BANGUR	-	-	(1.97)	70,900	1.97	-
8	BINOD KUMAR KHAITAN	-	-	(2.28)	82,400	2.28	-
9	CHANDRAKALA KHAITAN	51,520	1.43	(2.68)	1,48,280	4.11	-
10	CHINTAMANI HOLDINGS PVT. LTD.	1,34,088	3.72	1.88	66,483	1.84	1.84
11	CREDWYN HOLDINGS INDIA PRIVATE LIMITED	1,75,000	4.85	-	1,75,000	4.85	-
12	DEVENDRA FINVEST AND HOLDING PVT LTD	95,544	2.65	2.08	20,427	0.57	0.56
13	GITA BANGUR	46,200	1.28	-	46,200	1.28	-
14	GLOSTER LIMITED	1,70,000	4.71	-	1,70,000	4.71	-
15	HEMANT BANGUR	200	0.01	-	200	0.01	-
16	LUXMI DEVI	38,044	1.05	-	38,044	1.05	-
17	MADAN GOPAL BANGUR	16,600	0.46	(0.19)	23,400	0.65	-
18	MADHAV TRADING CORPORATION LIMITED	3,74,880	10.39	-	3,74,880	10.39	-
19	MADHUR BANGUR	60	-	-	-	-	-
20	MILAN BANGUR	4,000	0.11	-	4,000	0.11	-
21	MURLI DHAR KHAITAN	300	0.01	-	300	0.01	-
22	NIKATE KHAITAN	2,84,760	7.89	4.96	1,05,600	2.93	-
23	NIKATE KHAITAN (HUF)	1,64,740	4.57	-	1,64,740	4.57	-
24	PRADYUMNA BANGUR	53,305	1.48	0.06	51,355	1.42	-
25	RAGHAV BANGUR	5,338	0.15	0.12	1,000	0.03	0.03
26	RAJ PACKWELL LIMITED	1,00,000	2.77	-	1,00,000	2.77	-
27	RAJENDRA KUMAR BANGUR	-	-	(0.74)	26,740	0.74	(0.84)
28	RAMESH KUMAR BANGUR	30,176	0.84	0.09	27,206	0.75	-
29	RAMESH KUMAR BANGUR HUF	4,000	0.11	-	4,000	0.11	-
30	SHRIMANGALA KHAITAN	64,760	1.80	-	64,760	1.80	-
31	SHRIVATS KHAITAN	2,31,000	6.40	-	2,31,000	6.40	-
32	SUDARSHAN BANGUR	52,928	1.47	0.05	51,075	1.42	-
33	SURESH KUMAR BANGUR	26,816	0.74	-	26,816	0.74	-
34	SURESH KUMAR BANGUR HUF	2,000	0.06	-	2,000	0.06	-
35	SUSHMA BANGUR	840	0.02	-	840	0.02	-
36	THE ORIENTAL COMPANY LIMITED	1,48,290	4.11	-	1,48,290	4.11	-
37	USHA KIRAN BANGUR	13,410	0.37	-	13,380	0.37	-
38	VEENA BANGUR	-	-	(0.08)	2,943	0.08	(0.08)
39	VIJAY KUMAR BANGUR	54,400	1.51	0.70	29,400	0.81	-
40	WIND POWER VINIMAY PVT. LTD.	87,840	2.43	-	87,840	2.43	-
Total Shares		25,39,883	70.42	0.70	25,15,679	69.72	0.82

Notes to Financial Statements as at and for the year ended March 31,2026

Note: 15 Other Equity

	Amount in Rs lacs	
	As at March 31, 2026	As at March 31,2025
Securities Premium		
Opening Balance	262.50	262.50
Addition/Deduction during the Year	-	-
Closing Balance	262.50	262.50
General Reserve		
Opening Balance	6,490.34	6,490.34
Addition during the Year	-	-
Closing Balance	6,490.34	6,490.34
Retained Earnings		
Opening Balance	1,673.44	1,345.51
Profit for the Year	452.08	346.14
Remeasurements of Net Defined Benefit Plan	(20.99)	(18.21)
Less: Amount Transferred to General Reserve		
	2,104.53	1,673.44
Grand Total	8,857.37	8,426.28

Note: 16 Borrowings (Non Current)

Financial Liabilities carried at amortised cost

Secured

- a.Term loans from Non Banking financial Institution
b.GECL loans from Banking financial Institution
Less: Current maturities of Term Loan (refer note 19)
Sub total

-	98.62
77.03	178.38
77.03	199.88
-	77.12

Unsecured

- From Limited Companies
From Related Parties
From Other
Sub total

930.00	861.00
59.00	59.00
989.00	920.00
989.00	997.12

Total

(i) Repayment terms and nature of securities given for Secured loan as follows :

SI No	Name of the Bank	Nature of security	Repayment Terms	31-Mar-26	31-Mar-25
a(i)	Aditya Birla Capital	Term Loan is secured by pari passu first charge on Industrial Property located at holding No.47, Rishi Bankim Chandra Road, Rishra ,Hooghly measuring 9.77 acres. Last Interest rate is 14.85%.	Repayble in 84 equal montly installment of Rs. 8,89,336 commencing from February 2019. Installment Payments completed	-	98.62
b(i)	State Bank Of India	Working Capital Term Loan under GECL-Extension 1.0 scheme secured by Pari-Passu 2nd charge basis on Current Assets and entire Fixed Assets. Current Interest rate is 9.25%	Repayble in 36 equal monthly installment commencing from December,2023 ending on November 2026.	47.47	104.49
b(ii)	Canara Bank	Working Capital Term Loan under GECL-Extension 1.0 scheme secured by Pari-Passu 2nd charge basis on Current Assets and entire Fixed Assets. Current Interest rate is 9.25%	Repayble in 36 equal monthly installment commencing from December,2023 ending on November 2026.	29.56	73.89

The Phosphate Company Limited

Notes to Financial Statements as at and for the year ended March 31,2026

		Amount in Rs lacs		
		As at March 31, 2026	As at March 31,2025	
Note 17: Other financial liabilities - Non Current				
Financial Liabilities carried at amortised cost				
Deposit from Dealer		130.33	122.23	
Total		130.33	122.23	
Note 18 : Provisions - Non Current				
Provisions for Employee Benefits				
Leave Encashment		112.38	92.00	
Less: Current Maturities ((refer note 23)		66.08	58.63	
Total		46.30	33.37	
Note 19 : Borrowings - Current				
Financial Liabilities carried at amortised cost				
Secured		-		
From Banks				
Cash Credit		1,042.97	793.84	
From Non Banking Financial Institution				
Short Term Loan (Revolving)		100.64	-	
Current Maturities of Term Loans (refer note 16)		77.03	199.88	
Unsecured			-	
From Limited Companies				
From Related Parties		160.00	-	
Total		1,380.64	993.72	
Cash Credit Loan from Banks are secured by entire stocks of inventory, receivables and other current assets of the company on pari-passu first charge basis & collaterally secured by second charge on Factory Land & Building. Current Interest Rate is 8.55% to 8.75%.				
(i) Repayment terms and nature of securities given for Secured loan as follows :				
Name of the Bank	Nature of security	Repayment Terms	31-Mar-26	31-Mar-25
Bajaj Finance Limited	Term Loan is secured by pari passu first charge on Industrial Property located at holding No.47, Rishi Bankim Chandra Road, Rishra ,Hooghly measuring 9.77 acres. Current Interest rate is 9.25%.	Revolving Term Loan	100.64	-
Note 20: Trade payables				
Financial Liabilities carried at amortised cost				
MSMED [refer note (a) below]			57.59	20.71
Others Trade Payable			2,317.34	776.86
Acceptances			641.99	401.44
Total			3,016.92	1,199.01
Notes :				
(a) Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development ('MSMED') Act, 2006			57.59	20.71
i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year.Principal amount due to micro and small enterprise Interest due on above				
(ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;				
(iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;				
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and				
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under section 23 of the Micro,Small and Medium Enterprises Development Act,2006				
The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors/suppliers.				
Outstanding for the following periods from due date of transactions				
Particulars				
(i) MSME				
Less than 1 Year			50.09	13.21
1-2 Years			-	7.50
2-3 Years			7.50	-
Sub Total			57.59	20.71
(ii) Others				
Less than 1 Year			2,316.52	776.84
1-2 Years			0.82	0.01
2-3 Years				0.01
(iii) Acceptances				
Less than 1 Year			641.99	401.44
Sub Total			2,959.33	1,178.30
Total			3,016.92	1,199.01
The above disclosures are based on the information available with the company in respect of the registration status of its vendors/ suppliers under MSME Scheme				
Note 21 : Other financial liabilities - Current				
Financial Liabilities carried at amortised cost				
Interest accrued and due			-	27.79
Employee Benefits			39.71	29.09
Financial Assets carried at Fair Value through Profit & Loss				
(Gain)/Loss on Fair Valuation of Forward Contract			66.84	(2.69)
Total			106.55	54.19

Notes to Financial Statements as at and for the year ended March 31,2026

	Amount in Rs lacs	
	As at March 31, 2026	As at March 31,2025
Note 22 Other current liabilities		
Advance from customers	106.60	101.36
Statutory & other dues payables	29.31	23.47
Liability for expenses	65.67	167.19
Total	201.58	292.02
Note 23 Provisions - Current		
Provisions for Employee Benefits		
Leave Encashment (refer note No. 18)	66.08	58.63
Total	66.08	58.63
Note 24 Current Tax Liabilities (Net)		
Provision for Income Tax (Net of Advance Tax)	112.67	110.42
Total	112.67	110.42
Note 25 Total Revenue from Operation Gross		
Sales/Income from Operations	14,917.23	13,777.44
Less: Discounts, Rebates & Taxes	507.16	1,117.46
Sub total	14,410.07	12,659.98
Other Operating Income		
Freight Subsidy	137.87	53.61
Scrap Sales	15.48	22.60
Total	14,563.42	12,736.19
Note 26 Other income		
Interest income on		
Fixed Deposits	14.96	11.04
Others	3.28	3.46
Profit on sales of Property, plant and equipment	0.99	1.09
Insurance Claim Received	-	4.50
Liability no longer required written back	68.46	-
Profit on Redemption of Mutual Fund	3.63	2.62
Gain on measuring investments at FVTPL	2.48	1.41
Other Misc Income	0.04	0.25
Total	93.84	24.37
Note 27 Cost of Material Consumed		
Raw Materials		
Rock Phosphate	5,810.76	6,020.07
Sulphuric Acid	1,774.14	1,009.72
Spent Acid	1,426.54	264.88
Others	7.07	11.02
Packing Materials	183.35	175.33
Total	9,201.86	7,481.02
Note 28 Purchase of Trading Goods		
Sulphuric Acid	225.84	572.00
Ammonium Sulphate	-	671.28
Seeds	40.32	-
DAP	392.28	-
SNPCPC	259.90	178.71
	918.34	1,421.99

Notes to Financial Statements as at and for the year ended March 31,2026

	Amount in Rs lacs	
	For the year ended March 31, 2026	For the year ended March 31,2025
Note 29 Changes in Inventories of Finished Goods, Stock-In-Trade and Work-in-Progress		
Opening Stock		
Finished Goods	288.01	24.60
Work-in-Progress	581.94	779.70
Trading Goods	87.74	3.88
Less: Closing Stock:		
Finished Goods	(45.37)	(288.01)
Work-in-Progress	(762.59)	(581.94)
Trading Goods	(274.77)	(87.74)
	-	-
Total	(125.04)	(149.51)
Note 30 Employee benefit expenses		
Salaries, wages and bonus	442.84	401.37
Staff welfare	75.40	54.08
Contribution to Provident & other funds	60.56	51.36
Total	578.80	506.81
Note 31 Other expenses		
Consumption of Stores and Spares	119.22	108.67
Power and Fuel Expenses	283.43	301.75
Repair to :	-	-
Building	61.24	60.20
Machinery	36.99	34.86
Others	15.51	7.69
Manufacturing & Supervision Charges	187.56	179.69
Packing Expenses	108.31	101.82
Freight, Delivery Expenses	1,692.80	1,462.25
Selling Expenses	71.65	38.34
Rent	8.80	7.80
Rates and Taxes	136.19	140.25
Payment to Auditors :	-	-
Audit Fee	1.00	1.00
Certification Fee	0.95	0.95
Legal & Professional Expenses	40.82	45.49
Director's Fees :	-	-
Board Meeting Fees	3.35	3.00
Committee Meeting Fees	1.88	1.70
Information & Technology Expenses	82.18	1.96
Insurance Charges	13.47	13.87
Motor Vehicle Expenses	5.26	7.47
Other Maintenance Expenses	39.73	38.54
Charity & Donation	6.90	14.25
Bad Debt	-	-
Less" Provision for Bad Debt	-	-
Provision for Doubtful Debts	2.62	0.93
Foreign Exchange Rate Fluctuation	25.79	5.98
Miscellaneous Expenses	82.07	52.02
Total	3,027.72	2,630.48
Note 32 Finance costs		
Interest	308.65	245.85
Bank charges	45.01	46.48
Other Charges	0.12	2.23
Total	353.78	294.56

Notes to Financial Statements as at and for the year ended March 31,2026

Amount in Rs lacs

Note 33 Effective tax reconciliation**Income Tax Recognised in Statement of Profit & Loss**

	March 31,2026	March 31,2025
Current Tax	168.04	166.19
(Excess)/Short Provision for Earlier Years	19.24	11.23
Deferred Tax	(10.99)	(46.00)
Total Income tax Expense recognised in the current year	176.29	131.42

The income tax expense can be reconciled to the accounting profit as follows:

Particulars	March 31,2026	March 31,2025
Profit before tax	628.37	477.56
Applicable tax rate	25.17%	25.17%
Computed Tax Expense	158.15	120.19
Add/(Deduct)		
Tax effect of amounts which are not deductible/(taxable) including Tax effect on Temporary differences	(8.54)	(7.39)
(Excess)/Short Provision for Earlier Years	19.24	11.23
Others	7.44	7.39
Total Income Tax Expense/(Credit)	176.29	131.42

Note 34 Earnings per equity share**Particulars**

	March 31,2026	March 31,2025
Profit as per Statement of Profit and Loss	452.08	346.14
Weighted average number of equity shares	36,07,480	36,07,480
Earnings per share - Basic and Diluted	12.53	9.60

Note 35**A) Commitments**

Commitment of Capital Expenditure not provided for in the accounts (Estimated)	3.00	5.00
--	------	------

Total

3.00	5.00
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B) Segment Information

In terms of the requirement of Ind AS 108, the Company had identified primary business segment, viz., "Agro-input". However, pursuant to guidelines issued by Ministry of Chemicals & Fertilisers, P & K fertilisers (Phosphatic & Potassic) has been considered as Separate Segment and reported.

Statement of Segment wise Financial Results & Capital Employed

Particulars	March 31,2026	March 31,2025
Segment Revenue		
Fertiliser (P&K, DAP)	14,068.25	11,215.08
Others	495.17	1,521.10
Income from Operation	14,563.42	12,736.18
Segment Result before Tax & Financial Cost		
Fertiliser (P&K, DAP)	788.18	608.13
Others	100.13	139.62
Less:		
Finance Cost	353.78	294.56
Un allocable Expenses net of Income	(93.84)	(24.37)
Total Profit before tax	628.37	477.56
Capital Employed		
Fertiliser	9,089.27	8,678.12
Others	128.85	108.91
Total	9,218.12	8,787.03

C) Dividend

The Board of Directors has recommended a dividend of 20% (i.e., ₹2/- per fully paid-up Ordinary Share of ₹10/- each) on the paid-up equity share capital for the financial year 2025-26 subject to approval of shareholders.

Notes to Financial Statements as at and for the year ended Mar 31,2026
Note 36 Employee Benefit Obligations
I) Defined Contribution Plan

Contribution to defined contribution plan, recognized are charged off during the year as follows :

Particulars

Employers' Contribution to Provident Fund

Amount in Rs lacs	
31 March, 2026	31 March, 2025
33.88	30.14

II) Defined Benefit Plan

Gratuity is paid to employees under the Payment of Gratuity Act 1972 through a recognised funded scheme. The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Particulars	Gratuity		Accumulated Leave	
	Funded		Unfunded	
	31 March, 2026	31 March, 2025	31 March, 2026	31 March, 2025
(i) Amount recognised in the statement of profit and loss is as under:				
Current service cost	17.52	13.46	9.26	8.14
Interest cost	(0.14)	(1.48)	6.03	5.45
Actuarial loss/(gain) recognized during the year	-	-	6.23	0.95
Amount recognized in the statement of profit and loss	17.38	11.98	21.52	14.54

(ii) Changes in Present Value Obligation

Present value of defined benefit obligation as at the start of the year	238.50	235.83	92.00	87.53
Current service cost	17.52	13.46	9.26	8.14
Interest cost	15.58	14.12	6.03	5.45
Actuarial loss/(gain) recognized during the year	23.81	19.47	6.23	0.95
Benefits paid	(4.13)	(44.38)	(1.13)	(10.07)
Present value of Defined Benefit Obligation as at the end of the year	291.28	238.50	112.39	92.00

(iii) Change in fair value of plan assets

Fair value of plan assets as at the start of the year	238.58	236.10	-	-
Return on plan assets	2.82	1.25	-	-
Interest Income	15.72	15.61	-	-
Actuarial loss/(gain)	-	-	-	-
Contribution	38.50	30.00	-	-
Benefits paid	(4.13)	(44.38)	-	-
Fair value of plan assets as at the end of the year	291.49	238.58	-	-

Reconciliation of present value of defined benefit obligation and the fair value of plan assets

Funded Status	0.21	0.08	-	-
Present value obligation as at the end of the year	291.28	238.50	112.39	92.00
Fair value of plan assets as at the end of the year	291.49	238.58	-	-
Net liability/(asset) recognized in balance sheet	(0.00)	(0.00)	112.39	92.00

Amount recognised in the statement of Other Comprehensive Income

Actuarial (Gain)/Loss for the year on Present value of obligation	0.13	1.09	-	-
Actuarial (Gain)/Loss for the year on Asset	23.68	18.37	-	-
Return on Plan Asset, Excluding Interest Income	2.82	1.25	-	-
Unrecognised actuarial (Gain)/Loss at the end of the year	20.99	18.21	-	-

Breakup of Actuarial gain/loss:

Actuarial (gain)/loss on arising from change in demographic assumption	-	-	-	-
Actuarial (gain)/loss on arising from change in financial assumption	0	1	-	-
Actuarial (gain)/loss on arising from experience adjustment	24	18	-	-

Assumptions

	31 March, 2026	31 March, 2025	31 March, 2026	31 March, 2025
Financial Assumptions				
Discount rate p.a.	6.59%	6.61%	6.59%	6.61%
Rate of increase in salary p.a.	7.50%	7.50%	7.50%	7.50%
Demographic Assumptions				
Attrition Rate	1.00%	1.00%	1.00%	1.00%
Super Annuation Age	58 Years	58 Years	58 Years	58 Years
Average expected future service	3 Years	6 Years	3 Years	6 Years

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

f) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below :

Sensitivity analysis for Gratuity

	As at 31 March, 2026		As at 31 March, 2025	
	<u>Increase</u>	<u>Decrease</u>	<u>Increase</u>	<u>Decrease</u>
Discount Rate (-/+ 0.5%)	288.19	294.59	236.03	241.14
%Change Compared to base due to sensitivity	-1.06%	1.14%	-1.03%	1.11%
Salary Growth (-/+ 0.5%)	294.52	288.22	241.10	236.05
%Change Compared to base due to sensitivity	1.11%	-1.05%	1.09%	-1.03%
Attrition Rate (-/+ 0.5%)	291.26	291.30	238.49	238.51
%Change Compared to base due to sensitivity	-0.01%	0.01%	-0.01%	0.01%
Mortality Rate (-/+ 10%)	291.26	291.30	238.49	238.51
%Change Compared to base due to sensitivity	-0.01%	0.01%	-0.01%	0.01%

Sensitivity analysis for Accumulated Leave

	As at 31 March, 2026		As at 31 March, 2025	
	<u>Increase</u>	<u>Decrease</u>	<u>Increase</u>	<u>Decrease</u>
Discount Rate (-/+ 0.5%)	110.01	114.93	89.93	94.24
%Change Compared to base due to sensitivity	-2.099%	2.277%	-2.251%	2.439%
Salary Growth (-/+ 0.5%)	114.89	110.03	94.21	89.94
%Change Compared to base due to sensitivity	2.239%	-2.085%	2.399%	-2.236%
Attrition Rate (-/+ 0.5%)	112.36	112.38	91.99	92.01
%Change Compared to base due to sensitivity	-0.007%	0.007%	-0.007%	0.007%
Mortality Rate (-/+ 10%)	112.36	112.38	91.99	92.01
%Change Compared to base due to sensitivity	-0.012%	0.012%	-0.013%	0.013%

The Sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There is no change in the method of valuation for the prior period.

Expected contribution during the next annual reporting period:**Particulars**

The Company's best estimate of contribution during the next year

Gratuity

Rs. 1.72 Lacs

Table Showing Allocation of Plan Asset at the end Measurement Period	Allocation of Plan Asset (Amt in Rs. in lacs)		Allocation in % of Plan Asset	
	Gratuity (Funded)		Gratuity (Funded)	
	31 March, 2026	31 March, 2025	31 March, 2026	31 March, 2025
Cash & Cash Equivalents	5.25	2.61	1.80%	1.10%
Special Deposit Scheme	-	-	0.00%	0.00%
State Government Securities	60.02	60.02	20.59%	25.16%
Government of India Securities	67.45	38.09	23.14%	15.97%
Corporate Bonds	141.11	121.36	48.41%	50.87%
Debt Securities	11.70	11.70	4.01%	4.91%
Other	5.96	4.79	2.04%	2.01%
Total	291.49	238.57	100.00%	100.00%

* The Government of India has notified four Labour Codes, namely Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and Occupational Safety, Health and Working Conditions Code, 2020, with effect from 21st November 2025, which consolidates 29 existing labour laws. Based on the assessment carried out by the management, the implementation of the Labour Codes does not have any material impact on the Company's financial results as at the reporting date.

Notes to Financial Statements as at and for the year ended March 31,2026
Note 37 Corporate Social Responsibility

The details relating to Corporate Social Responsibility (CSR) expenditure are as follows:

As per Section 135 of the Companies Act, 2013, a CSR committee had been formed by the Company. The funds are utilized on the activities which are specified in Schedule VII of the Act. The utilization is done by way of contribution towards various activities.

Particulars	Amount in Rs lacs	
	For the year ended March 31,2026	For the year ended March 31,2025
(a) Gross amount required to be spent by the Company during the year	5.39	9.02
(b) Amount Spent during the year Through Human development Centre	5.40	13.00
(c) Amount unspent during the year	-	-
(d) Total of previous year shortfall	-	-
(e) Amount Spent excess during the year	0.01	3.98
Total	5.40	13.00

Note 38 Financial instruments and other related disclosures
i. Capital Management

The Company's capital management is driven by it's policy to maintain a sound capital base to support the continued development of its business. The Board of Directors seeks to maintain a prudent balance between different components of the company's capital.

The debt equity ratio highlights the ability of a business to repay its debts. As at 31st March, 2026, the ratio was -0.0335

Particulars	Amount in Rs lacs	
	March 31,2026	March 31,2025
Equity Share Capital	360.75	360.75
Other Equity	8,857.37	8,426.28
Total Equity (A)	9,218.12	8,787.03
Non-Current Borrowings	989.00	997.12
Short Term Borrowings	1,380.64	993.72
Total Borrowings (Gross Debt) (B)	2,369.64	1,990.84
Investments	1,706.69	1,029.24
Cash and Cash Equivalents	904.71	6.76
Other Bank Balances	66.78	118.80
Subtotal (C)	2,678.18	1,154.80
Net Debt (B-C) (D)	(308.54)	836.04
Net Debt to Equity (D/A)	-0.0335	0.0951

Notes to Financial Statements as at and for the year ended March 31, 2026

Note 38 continuedDisclosures on Financial Instruments**I) Financial Instruments by Category****As at March 31, 2026****Amount in Rs lacs**

Particulars	Amortised Cost	Fair Value through PL	Total Carrying Value	Total Fair Value
Financial Assets				
Investments	1,000.26	706.43	1,706.69	1,706.69
Trade Receivables	1,117.72	-	1,117.72	1,117.72
Cash and Cash Equivalents	904.71	-	904.71	904.71
Other Bank Balances	66.78	-	66.78	66.78
Loans	-	-	-	-
Other Financial Assets	214.00	-	214.00	214.00
Total Financial Assets	3,303.47	706.43	4,009.90	4,009.90
Financial Liabilities				
Borrowings	2,369.64	-	2,369.64	2,369.64
Trade Payables	3,016.92	-	3,016.92	3,016.92
Other Financial Liabilities	170.80	66.08	236.88	236.88
Total Financial Liabilities	5,557.36	66.08	5,623.44	5,623.44

As at March 31, 2025

Particulars	Amortised Cost	Fair Value through PL	Total Carrying Value	Total Fair Value
Financial Assets				
Investments	1,000.26	28.98	1,029.24	1,029.24
Trade Receivables	730.64	-	730.64	730.64
Cash and Cash Equivalents	6.76	-	6.76	6.76
Other Bank Balances	118.80	-	118.80	118.80
Loans	-	-	-	-
Other Financial Assets	189.55	2.69	192.24	192.24
Total Financial Assets	2,046.01	31.67	2,077.68	2,077.68
Financial Liabilities				
Borrowings	1,990.84	-	1,990.84	1,990.84
Trade Payables	1,199.01	-	1,199.01	1,199.01
Other Financial Liabilities	176.42	-	176.42	176.42
Total Financial Liabilities	3,366.27	-	3,366.27	3,366.27

(ii) Fair value hierarchy

All Financial Assets & Financial Liabilities are carried at amortised cost except Current Investments and Foreign Currency Future Contracts, which have been fair valued.

Level 1 – Quoted (adjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table represents the fair value hierarchy of Financial Assets and Financial Liabilities measured at Fair Value on a recurring basis :

Particulars	Fair Value Hierarchy Level	Amount in Rs lacs	
		31 March, 2026	31 March, 2025
Financial Assets			
Current Investments	Level 1	706.43	28.98
Derivative financial instruments - Foreign Currency Forward Contracts	Level 2	-	2.69
Financial Liabilities			
Derivative financial instruments - Foreign Currency Forward Contracts	Level 2	66.08	-

Notes to Financial Statements as at and for the year ended March 31,2026
(iii) Financial risk management objectives and policies
Financial risk factors

The Company's activities expose it to a variety of financial risks: (a) market risk,(b) liquidity risk & (c)credit risk which may adversely impact the fair value of its financial instruments. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

(A) Market risk

Market risk comprises interest rate risk & foreign currency risk. Financial instruments affected by market risk include loans and borrowings in foreign currencies.

(a) Interest rate risk

The Company is exposed to interest rate risk because the Company borrow funds both at fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates.

(b) Foreign currency risks

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exchange rate risk exposure is primarily due to trade payables denominated in foreign currency. The Company is restricting its exposure of risk in change in exchange rates by way of Forward/Future Contracts.

Particulars	31 March, 2026	31 March, 2025
Foreign Currency Payable (Amount in USD)	24,62,250	9,61,400

(B) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company has obtained fund and non-fund based working capital facilities from various banks. The Company invests its surplus funds in bank fixed deposit and mutual funds, which carry low market risk.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments

Particulars	Amount in Rs lacs	
	31 March, 2026	31 March, 2025
One Year or less		
Borrowings	1,380.64	993.72
Trade Payables	3,016.92	1,199.01
Other Financial Liabilites	106.55	54.19
More than One Year		
Borrowings	989.00	997.12
Other Financial Liabilites	130.33	122.23

(C) Credit risk

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness.

Financial instruments that are subject to credit risk principally consist of Trade Receivables, Loans Receivables, Investments, Cash and Cash Equivalents and Financial Guarantees provided by the Company. None of the financial instruments of the Company result in material concentration of credit risk.

The Company has a policy of dealing only with credit worthy counter parties as a means of mitigating the risk of financial loss from defaults. The Company manages risks through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business.

Notes to Financial Statements as at and for the year ended March 31, 2026

Note 39 Related Party Disclosures:

List of Related Parties :

1. Key Management Personnel

Shri Ajay Bangur	Executive Director & CEO
Shri Shankar Banerjee	Company Secretary & Compliance Officer
Shri Nanda Kishore Kabra	Chief Financial Officer

2. Other Directors

Shri Binod Khaitan	Non-Executive Director
Shri Hemant Bangur	Non-Executive Director
Shri Gautam Bhattacharya	Independent Director
Smt Sonali Sen	Independent Director

3. Entities over which Director, Key Managerial Personnel and their relatives have significant influence with whom transaction have taken place during the year

Adelina Investments Pvt. Ltd.
Art Finance & Trade Pvt. Ltd.
Chintamani Holdings Pvt. Ltd
Kanchan Udyog Ltd.
Mani Invest Brokers Private Limited
Maxworth Industrial Services Ltd
Noshirvan & Company Private Ltd

The following table summarises related-party transactions included in the financial statements for the year ended March 31, 2026 & March 31, 2025 and details of outstanding balances as on March 31, 2026 & March 31, 2025

Nature of Transactions	Amount in Rs lacs			
	Key Managerial Personnel & Other Directors (1+2)	Entities where Director, KMP and relatives have significant influence (3)	Total	
Salary and Other Benefits	-	82.68	-	82.68
	-	68.42	-	68.42
Contribution to Provident Fund & Superannuation Policy	-	18.29	-	18.29
	-	15.42	-	15.42
Other Perquisites	-	26.59	-	26.59
	-	22.28	-	22.28
Meeting Fees	-	5.23	-	5.23
	-	4.70	-	4.70
Interest on Loan	-	-	175.15	175.15
	-	-	111.75	111.75
Loan Taken	-	-	985.00	985.00
	-	-	450.00	450.00
Loan Repaid	-	-	741.00	741.00
	-	-	512.00	512.00
Outstanding Receivable	-	-	-	-
	-	-	-	-
Outstanding Payable	-	-	1,030.00	1,030.00
	-	-	861.00	861.00

Notes to Financial Statements as at and for the year ended March 31,2026

Note 40

The Company is required to file Financial Follow-up Reports - 1 at the end of each quarter which contains profitability statement and Financial Follow-up Report -II at each Quarter end which contains statement of assets and liabilities with State Bank of India and Canara Bank. Below is the reconciliation of the statements filed by the Company at each quarter end with such banks and the books of accounts of the Company

Amount in Rs. in lacs

Quarter	Particulars of Security Provided	Amount as per Books of Account	Amount as reported in the statement	Amount of Difference
March'26	Inventory	3,165.01	3,165.01	-
	Trade Receivables	1,117.72	1,117.72	-
	Trade Payables	3,016.92	3,016.92	-
December'25	Inventory	1,857.02	1,857.02	-
	Trade Receivables	4,033.00	4,033.00	-
	Trade Payables	2,993.07	2,993.07	-
September'25	Inventory	5,450.15	5,450.15	-
	Trade Receivables	1,756.27	1,756.27	-
	Trade Payables	4,052.53	4,052.53	-
June'25	Inventory	4,595.16	4,595.16	-
	Trade Receivables	1,136.24	1,136.24	-
	Trade Payables	2,716.03	2,716.03	-

Quarter	Particulars of Security Provided	Amount as per Books of Account	Amount as reported in the statement	Amount of Difference
March'25	Inventory	2,703.70	2,703.70	-
	Trade Receivables	730.64	730.64	-
	Trade Payables	1,199.01	1,199.01	-
December'24	Inventory	2,510.00	2,510.00	-
	Trade Receivables	2,217.77	2,217.77	-
	Trade Payables	3,371.25	3,371.25	-
September'24	Inventory	3,688.03	3,688.03	-
	Trade Receivables	1,175.21	1,175.21	-
	Trade Payables	3,844.20	3,844.20	-
June'24	Inventory	3,685.06	3,685.06	-
	Trade Receivables	575.95	575.95	-
	Trade Payables	1,888.63	1,888.63	-

Notes to Financial Statements as at and for the year ended March 31,2026

Note 41

Ratio Analysis

Ratios	31st March 2026	31st March 2025	% Change from 31st March 2025 to 31st March 2026	Reason for Variance
Current Ratio	1.48	1.68	-12%	Increase in Current Liabilities
Debt-Equity Ratio	0.26	0.23	13%	Increase in Borrowing
Debt Service Coverage Ratio	0.45	0.44	2%	Increase in Borrowing
Return on Equity Ratio	5.02%	4.01%	25%	Increase in Net Profit
Inventory Turnover Ratio	13.09	11.62	13%	Increase in Cost of Goods Sold
Trade Receivables Turnover Ratio	15.76	19.32	-18%	Increase in Avg Trade Receivables
Trade Payables Turnover Ratio	5.54	8.17	-32%	Increase in Purchases
Net Capital Turnover Ratio	6.21	6.93	10%	Increase in working Capital
Net Profit Ratio	3.10%	2.72%	14%	Increase in Net Profit
Return on Capital Employed	9.11%	8.07%	13%	Increase in EBDIPA
Return on Investment	1.44%	1.20%	20%	Decrease in interest income

Elements of Ratios

Ratios	Numerator	Denominator	31st March 2026		31st March 2025	
			Numerator	Denominator	Numerator	Denominator
Current Ratio	Current Assets	Current Liabilities	7,229.64	4,884.44	4,547.10	2,707.99
Debt-Equity Ratio	Debt (Borrowing)	Total Equity	2,369.64	9,218.12	1,990.84	8,787.03
Debt Service Coverage Ratio	Earnings before interest, depreciation and taxes (Profit Before Tax + Finance cost + Depreciation)	Debt (Borrowing)	1,055.58	2,369.64	869.77	1,990.84
Return of Equity Ratio	period/year Less Preference Dividend	Average Equity	452.08	9,002.58	346.14	8,623.06
Inventory Turnover Ratio	Cost of Goods Sold	Average Finished Goods	10,983.34	838.97	9,726.97	837.13
Trade Receivables Turnover Ratio	Revenue from Operations	Average Trade Receivables	14,563.42	924.18	12,736.19	659.19
Trade Payable Turnover Ratio	Purchases	Average Trade Payables	11,678.12	2,107.97	9,423.45	1,153.65
Net Capital Turnover Ratio	Revenue from Operations	Working Capital	14,563.42	2,345.20	12,736.19	1,839.11
Net Profit Ratio	Net Profit after Tax for the year	Revenue from Operations	452.08	14,563.42	346.14	12,736.19
Return on Capital Employed	Earnings before interest, depreciation and taxes (Profit Before Tax + Finance cost + Depreciation)	Equity + Debt (Borrowings)	1,055.58	11,587.76	869.77	10,777.87
Return on Investment	Interest Income on fixed deposits, bonds and debentures + Dividend Income + Profit on sale of investments + Profit on fair valuation of investments carried at FVTPL	Average=Current investments + Non current Investments + Other bank balances	21.07	1,460.76	15.07	1,251.25

Notes to Financial Statements as at and for the year ended March 31, 2026

Note 42 Other Statutory Information

- (i) The Company do not have any Benami Property. Further, there is no proceedings initiated or pending against the Company for holding any Benami property.
 - (ii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
 - (iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
 - (iv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies):
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company(Ultimate Beneficiaries) or
 - (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - (v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party(Ultimate Beneficiaries) or
 - (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - (vi) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
 - (vii) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
 - (viii) The Company has complied with the number of layers prescribed under clause(87) of section 2 of the Act read with the Companies(Restriction on Number of Layers) Rules, 2017.
 - (ix) There are no events or transactions after the reporting period which is required to be disclosed under Ind AS 10.
- The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. The Company has no Core Investment Company as part of the Group.

Note 43 A Part of Land and Building thereon has been sold to Abhinandan Goods Pvt Ltd. However, execution of conveyance Deed is pending for necessary compliance.

Note 44 Balances of some parties (including of Trade receivables and Trade payables) and loans and advances are subject to reconciliation/confirmations from the respective parties. The management does not expect any material differences affecting the financial statement for the year.

Note 45 Corresponding comparative figures for the previous year have been regrouped and readjusted wherever considered necessary to conform to the current year presentation.

As per our report of even date attached.

**For, S K AGRAWAL AND CO CHARTERED
ACCOUNTANTS LLP**
Chartered Accountants
Firm Registration Number: 306033E/E300272

For and on behalf of the Board of Directors

Hemant Kumar Lakhotia
(Partner)
Membership No. 068851

Ajay Bangur
Executive Director
DIN:00041711

Sonali Sen
Independent Director
DIN:00451839

Place: Kolkata
Dated: 25th May 2026

Nanda Kishore Kabra
Chief Financial Officer

Shankar Banerjee
Company Secretary
Membership No.A45073

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