Management Discussion

Ashok Jha - Company Secretary, National Fertilizers Ltd
Dear members, guests, ladies and gentlemen, Good afternoon to all of you. I feel honored and privileged to extend a very hearty and warm welcome to each one of you at the 52nd Annual General Meeting of National Fertilizers Limited. Before we start the formal proceedings of the meeting, we would like to play national song followed by national anthem in the honor of our great nation.

Unidentified Speaker - Unidentified Speaker
[Video Presentation]

Ashok Jha - Company Secretary, National Fertilizers Ltd
I would like to convey my sincere gratitude to all of you for sparing your valuable time and joining the 52nd L1 general meeting of the Company through video conferencing or other audio visual means. I would like to introduce myself. I am Ashok JA Company Secretary of the Company. In compliance with circulars issued by Ministry of Corporate affairs and securities and Exchange Board of India, this meeting is being conducted through video conferencing or other audio visual means without the physical presence of members at a common venue for conducting the AGM smoothly and for facilitation of members, the joining to this meeting has been open 30 minutes prior to the scheduled time of the AGM I.e.

2:30pm and window for joining the meeting shall be kept open till the expiry of 15 minutes after the scheduled time of AGM. As mentioned in the notice, the facility of participation at the AGM through video conferencing or other audio visual means has been made available for 1000 members on first come first serve basis. This will not include promoters, institutional investors, large members, directors, key managerial personnel, Chairperson of the Audit Committee, Nomination and nomination Committee and stakeholders, Relationship Committee and auditors.

For the purpose of voting by the members on the agenda items set out in the 52nd KGM notice, the company has provided the facility of remote evoting. The remote evoting facility was made available from 9am on Thursday 17th September 2026 and and ended at 5pm on Monday 21st September 2026. Members who have cast their vote through remote evoting facility shall not be entitled to cast their vote Again. Only those members who have not cast their vote through remote evoting and are present in the AGM through video conferencing or other audio visual means shall be eligible to vote through evoting at the agm.

Members are encouraged to participate through their desktops or laptops with high speed Internet connectivity for smooth participation in the agm. Please note that participants connecting from mobile devices or tablets or through laptops via mobile hotspot may experience audio or video loss due to fluctuation in their respective networks. It is therefore recommended to use a stable WI fi or LAN connection to to mitigate any of the aforementioned glitches, to avoid any disturbance from background and for ensuring smooth conduct of this meeting.

All members who have joined this meeting are placed on mute mode by default. Now I would like to introduce the Chairman, Directors and other dignitaries sitting on the dice to you Dr. Yu Sarvanan, chairman and many directors. Namaskar Dr. Yu Sarman serves in the capacity of Chairman and Managing Director on the Board of National Fertilizers Ltd. Navratna CPSC with responsibility of leading one of India's major fertilizer enterprises across manufacturing, domestic and international

fertilizer sourcing, traded fertilizer, strategic growth initiatives and stakeholder management.

He is also Director on the Board of Fertilizer association of India, A Chemical Engineer from anna University and MBA from University of Madras. A fertilizer industry leader with 36 plus years of experience spanning fertilizers, petrochemicals, oil refining, strategic investment, business transformation, project development and commercial operations. He has completed a graduate training on Process Design conducted by Messrs. UOP at Chicago usa. He has also worked in Project team for pre commissioning and commissioning activities of Petrochemical project at Rong Thailand under Toyot Engineering Japan.

Strong experience in investment evaluation, strategic partnership acquisition opportunities, business restructuring and portfolio management complemented by extensive exploration closer to the bulk fertilizer value chain including sourcing, imports, trading, supply chain optimization, market development and management of international and domestic commercial relationships. Recognized for combining technical depth, commercial judgment and strategic leadership to deliver business turnaround, operational improvement and long term value creation.

Under his Chairmanship, Navratna status has been granted to NFL on the 18th of April 2024. He has also been Board member of multiple companies for the last 10 years and handled and attended more than 100 plus board meetings, 10 plus AGMs and many other board subcommittees. While serving as CMD of Madras Fertilizers Limited did revival of that company into a profit making going concern from gone concerned. Also during that tenure the feed stock conversion from NAFTA to RLNG was completed successfully.

He has been awarded with CEO of the year 2024 business leader of the Year Award by World HRD Congress and conferred with the prestigious Asia Most Influential Business Leader awarded by Times Aspire. He also contributed as Jury Jury Member for the Sustainable Agriculture Summit and Awash 2024. He also chaired Technical session organized by Fertilizer association of India on Digital Marketing during annual seminar in 2023 and sustainability in fertilizer production during annual seminar in 2024. He is a member of Nomination and Rention Committee Stakeholders Relationship Committee, Corporate Social Responsibility and Sustainable Development Committee and Risk Management Committee of the Company.

Sri Mahesh Chandra Gupta, Director Marketing of the company

Mahesh Chander Gupta - Director (Marketing), National Fertilizers Limited
Namaskar

Ashok Jha - Company Secretary, National Fertilizers Ltd
Sri Mahesh Gupta is a Management graduate from FMS Udaipur as well as Cost and Management Accountant Gold Medalist. Besides advanced management programs, Sri Gupta has helped leadership position across petroleum marketing, Petrochemical marketing, natural gas marketing, business and business vertical. Prior to this he was serving as Chief General Manager Business Development Cash in Indian Oil Corporation Limited Heading natural gas sourcing and Marketing at Corporate office. A seasoned professional with over 30 years of experience, Sri Gupta has played a pivotal role in upscaling of natural gas business of Ioclav to new heights, establishing new business streams of petrochemicals including PTA and polymers in domestic and global markets and other business development activities.

He is member of Audit Committee, Stakeholders Relationship Committee, Corporate Social Responsibility and Sustainable Development Committee and Risk Management Committee of the

Company. He is also the nominee director of NFL on the board of directors Ramaguna Fertilizer and Chemical Ltd. And Assam Valley Fertilizer and Chemical Co. Ltd. He is also holding the additional charge of Director Finance in projects and Development India Ltd. Sri Meghnath Goyal, Director Technical of the company. Is a Mechanical engineer with a Master's Degree in Engineering Mechanical from University of Rory.

He has about 33 years of rich experience in process plant maintenance, process management and project execution in various plants of National Fertilizers LinkedIn and has been instrumental in RIS operational excellence and initiating diversification projects in fertilizer sector. He is member of Stakeholders Relationship Committee and Risk Management committee of the company. He is also nominee director of NFL on the board of Assam Valley Fertilizer and Chemical Co. Ltd. And Ramagunam Fertilizers and Chemical Ltd.

He is also holding the additional charge of Director Production in Brahmaputra Valley Fertilizer Corporation Limited. Sri Arvind Kumar, Director, Finance and CFO of the Company Sri Arvin Kumar holds the educational qualification of MCom. Professionally, he is a fellow member of the Institute of First Accountants of India and an Associate member of Institute of the Company Secretaries of India. He possesses rich and diverse experience in the areas of financial management, internal audit, budgeting, banking, taxation, commercial accounting, corporate governance and regulatory compliances.

Prior to this he served in senior leadership positions in the finance function in Indian Oil Corporation Limited and Hindustan, Urbana and Russian Limited. Over the course of his career he has been associated with formulation and implementation of financial strategies, standing of internal controls, performance monitoring, resource mobilization and ensuring compliance with statutory and regulatory requirements. Mr. Arvind Kumar is known for his professional competence, analytical approach and extensive experience in finance, audit and corporate management.

He is member of Stakeholders Relationship Committee, Corporate Social Responsibility and Sustainable Development Committee and Risk Management Committee of the company. Sri Kal Senma Government Nominee Director Join. Sri Kal Senma holds a graduation degree in Economics Honors from Presidency College and a postgraduate degree in International Economics from the University of Calcutta. He has also completed MA in Sports, Public Policy and Sustainable Development from TERI University and a Management Development Program in Public Administration from the Indian Institute of Public Administrative Administration, New Delhi.

He is an in Indian Economic Services IES officer of 1995 batch and is currently serving as Senior Economic Advisor in the Department of Fertilizers, the Ministry of Chemicals and Fertilizers, Government of India. He has held various significant positions across ministries departments including Department for Promotion of Industry and Internal Trade, Ministry of Electronics and it, Ministry of Food Processing Industries, Department of Investment and Public Asset Management and Department of Rural Development.

He is also holding additional charge of Channel and Money entitled on the Board of Fertilizer Corporation of India Limited And Hindustan Fertilizer Corporation Limited Sri Anurag Ro Government Nominee Director Joined through Video Conferencing he is also the representative of President of India Sri Anagra holds a Master's Degree in Chemistry. His work experience includes international cooperation, Fertilizer Innovation, PNK Fertilizers, Non Chemical Organic Fertilizers, pmk, sks, Chintan Seaweeds, Fertilizers, Raw Material inputs, Intelligence, Institutional planning and coordination.

Currently he serves as Joint Secretary in the Department of Fertilizer, the Ministry of Chemicals and Fertilizer, Government of India. He was also a Director on the Board of Hindustan Fertilizer Corporation Limited and Hindustan Urak and Rasine Limited. Ms. Pinky Pran Independent Director joined through video conferencing

Pinky Pradhan - Independent Director, National Fertilizers Limited
Namaskar

Ashok Jha - Company Secretary, National Fertilizers Ltd
Ms. Pinky Pran is a Gold Medalist in Mass Communication and Journalism from utkar University in 2016. Further, she has also completed her LLB and BSc Botany honors from Bhatkal University. She is an eminent actress and social activity activist of Odisha. She is Chairperson of ORIC Committee Nomination and Innovation Committee and Corporate Social Responsibility and Sustainable Development Committee C is also a member of Stakeholders Relationship Committee and Risk Management Committee of the company.

Sri Mahak Singh Independent Director Joint. Singh is a businessman and a person of eminence with over 30 years of experience in the field of business and public services. He has been actively involved in various social welfare initiatives at the grassroots levels working for the betterment of the community. He served as a Municipal Counselor Nigam Parsad in the Municipal Corporation of Delhi from 2007 to 2017. He also served as Chairman of the Standing Committee of EDMC with his extensive experience in business, public service and grassroots social work he has contributed significantly to civic administration and community development he is a chairperson of Risk Management Committee and Stakeholders Relationship Committee and member of the Audit Committee and Remunation Nomination and Remation Committee the representatives of Mrs.

RSPH and Associates and Mrs. Dasani and Associates joint for the financial year 2526 the representative of M D and Associates Lead Cost Auditor for the financial year 2526 S. Sachin Agarwal of Messrs Agarwal as an Associate Secretarial Auditor for the financial year 2526 and Sri Pramod Kari of Messrs. Promot Khari Co. SCER for remote evoting and evoting at this meeting have joined us through video conferencing we welcome you all sir, the members who have joined in between I again welcome all of you to the 52nd Annual General Meeting of the company Manglaji please confirm the number of members attending this AGM through video conferencing or other audio visual means

Mangal - Moderator
a Represent 65 member has joined the meeting

Ashok Jha - Company Secretary, National Fertilizers Ltd
okay, thank you we have the requisite quorum present to conduct the proceedings of the meeting Participation of members through video conferencing or other audio visual miss is being recount for the purpose of quorum as per the articles of association of the Company read with circulars issued by MCA and section 103 of the Companies Act 2013 now I request the Chairman to call the meeting to order

U. Saravanan - Chairman and Managing Director, National Fertilizers Ltd
Good afternoon ladies and gentlemen I welcome you all to this 52nd Good afternoon, sir Good afternoon Company Security has just now confirmed that the quorum of the meeting is present and I call the meeting to order

Ashok Jha - Company Secretary, National Fertilizers Ltd
Now I request the Chairman to deliver his address to the shareholders

U. Saravanan - Chairman and Managing Director, National Fertilizers Ltd
Dear shareholders, I have a great pleasure in welcoming you to the 52nd AGM of the company Board's report and the audited financial statement for the year ended 31st March 2026 along with auditor's report and comments of CNDG have been with you for quite some time now with your permissions I take them as read on this occasion I am pleased to present the overall performance of your company for the fiscal year 202526 with an overview of the Indian and global fertilizer industry the Indian economy continued to demonstrate resilience during this financial year 2526amidst evolving global economic conditions geopolitical uncertainties and commodities price volatility.

During financial year 2025 26, geopolitical tensions in the Middle east created a significant uncertainty in global fertilizer and energy markets. The disruptions affected international prices of the natural gas, ammonia, urea and phosphatic fertilizers while also increasing freight and logistic cost. However, proactive measures by the Government of India, including strategic inventory buildup, timely imports and prioritization of gas supplies to fertilizer manufacturers, helped ensure adequate fertilizer availability during the year.

India remains almost entirely dependent on global imports for phosphatic and potassic fertilizers. To bridge the gap between domestic supply and demand, imports of these fertilizers rose significantly. Pricing consumption, limited domestic availability of prospectic and water sick fertilizers and the need to maintain adequate inventories were the primary reason for higher imports. India also diversified its sourcing strategy to reduce supply risk arising from global market uncertainties. Despite these challenges, the Indian fertilizer sector continued to play a pivotal role in ensuring food security and enhancing agricultural productivity.

Favorable monsoon conditions across most regions, improved reservoir levels and continued government support through various agricultural schemes contributed to healthy agricultural activity and fertilizer consumption during the year. Amid this scenario, overall fertilizer sales grew significantly across the industry in financial year 2526 fueled by rising consumption and demand. Your company maintained this upward momentum delivering a strong operational performance that further boosted overall profitability.

I am proud to share that your company achieved a profit before tax of rupees 232.67 crore in financial year 2526, an increase of 124% from rupees 104.08 crore recorded in financial year 2425. This achievement was driven mainly by increase in profit from traded goods recept of past period, subsidiary and decrease in marketing and other synonymous expenses. Your company registered a turnover of Rupees 21,000 crore 230.67 crore in 2025-26 compared to Rupees 19,532.86 crore recorded in the previous year.

During the financial year 2526, the company registered total fertilization sales of 65.2 LMT compared to the total fertilizer sales of 63.37 LMT of the previous year. Over the past few years, your company has strategically shifted its focus toward non subsidized fertilizers to enhance long term profitability and reduce reliance on urea. The contribution of urea in the overall revenue in 2015-16. If you see it was 94.49% which has now come down to 59.66% in the financial year 2526. Meanwhile, the contribution from non urea products have increased to 40.34% in financial year 2526 reflecting continuous year on year growth compared to 32.59% in 2024 25.

The success of this diversification strategy is evident with a significant increase in sales of

agrochemicals at 7413 surpassing the previous best of 4259 in 2024-25. Similarly, the sales of potash derived from molasses PDM achieved a new level of 60,942 metric ton compared to 44,681 metric ton in the previous year. Seaweed granules also registered an all time high sale of 16,097 metric ton against 6,457 metric ton in the year 2024 25. The industrial product segment maintained its growth momentum during the year with the sales of 91,372 metric ton of nitric acid and 46,868 metric ton of ammonium nitrate.

Revenue from the production and sale of industrial products stood at rupees 533.83 crore during financial year 2526. The company's trading business also witnessed robust growth during the year. Revenue from the trading of various agri inputs including seeds, pesticides, compost and RFCL ammonia increased significantly to rupees 245.23 crore in financial year 2526 compared to rupees 145.30 crore in the previous year. The growing adaptation of soil friendly products is contributing to improved soil health, balanced nutrient management and enhanced fertilizer use efficiency.

This aligns with the Honorable Prime Minister's PM Pranam Initiative which promotes the restorations, nourishment and amelioration of Mother Earth through sustainable and environment friendly agriculture practices. Building on its strong operational and financial performances, your company is laying the foundation for the next phase of growth through a series of strategic initiatives. These initiatives of capacity expansion, new manufacturing facilities, product diversification and global collaborations are designed to strengthen our long term competitiveness commitment to self reliance in the fertilizer sector and create sustainable value for all stakeholders.

In line with this vision, NFL along with Government of Assam Oil India Limited Hindustan Urwarak Rasayan Limited. And BBFCL incorporated a joint venture company called Assam Valley Fertilizer and Chemical Co. Ltd. AVF CCL for the development of a NAMRU 4 brownfield ammonia urea complex at Namruk, Assam with an annual urea production capacity of 12.7 lakh metric ton. The project is expected to be commissioned within 48 months and will significantly strengthen domestic fertilizer production capacity.

Tentative CAPEX required for the project is rupees 10,601.40 crore. NFL will hold an 18% equity stack in the venture with an estimated investment of approximately rupees 572.45 crore. NFL is also setting up 25,000 metric ton per annum of bentonite sulphur plant at its Vijay per unit at an estimated cost of Rupees 104.03 crore with an implementation period of about 14 months. In addition, the company has already doubled the capacity of a biofertilized plant at Vijaypur from 700 metric ton per annum to 1400 metric ton per annum during financial year 2025 26.

Expanding its global footprints, NFL in collaboration with the RCF and IPL has entered into a strategic collaboration with Euralcom Jointstar Company to explore the establishment of a 2 million metric ton per annum urea production facility in Russia. A feasibility study for the proposed joint venture is currently being undertaken, marking an important step towards securing long term fertilizer resources and strengthening India's fertilizer supply chain. The company remains committed to adopting green energy initiatives as part of its environmental protection efforts.

The company is setting up a rooftop solar photovoltaic power plant of 1,500 kilowatt peak at its Manipat unit. The plant is likely to be completed by end of financial year 2627. The company is also planning to set up similar route of solar PV power plants at Nangal Batinda and Vijaypur unit. Tentative capacities of these plants shall be 1735 kilowatt peak, 600 kilowatt peak and 1220 kilowatt peak respectively. Enhancing energy efficiency remains a key focus area for the company as it improves operational competitiveness while supporting sustainable manufacturing.

In these directions, studies are underway to identify additional energy saving schemes at the Nangal

Batinda, Panipat and Vijaypur 1 and 2 units to maintain energy consumption within the target energy norms. We are continuously expanding our product portfolio strengthening our market presence. During financial year 2025-26, the company launched Direct Sales center under the banner Kisang Dhan Sidh Kisantak across the country, providing farmers with access to quality agri inputs under one roof. Presently the company has 34 Kisanthan centers in various states of India.

Kisangan centers will help reduce dependency on intermediate intermediary scene, ensure transparency in fertilizer distribution and ensuring timely availability of the quality fertilizers to farmers at government notified prices. Your company has always laid emphasis on upliftment of farming community by educating them on various aspects of crop production, animal husbandry and other allied agriculture sectors. During the year 2025-26, more than 13,935 farmers got benefited through these education programs.

Also, a number of demonstrations were laid out at farmers field to demonstrate benefits of use of city compost, potash derived from molasses, fermented organic manure, nano urea and water soluble NPK fertilizers and micronutrients. As per guidance of Department of Fertilizers, more than 18,000 retail shops have been converted into Pradhan Mantri Krishi Seva Kendras by putting up a fascia, installation of smart TVs and developing other facilities in the shops. Farmers education programs are also regularly being organized in these PMKs.

Your company remains committed to fostering inclusive growth through impactful CSR initiatives. The company allocated a CSR budget of rupees 537.98 lakh for the year 2526. Through its CSR initiatives, the company is supporting sectors like education, skill development and environment with the objective of empowering the underprivileged sections of the society. The company has also undertaken CSR projects in aspirational districts of the country to promote education and learning among underprivileged youths.

Additionally, water coolers with ro purifiers have been installed in municipal of Corporation of Delhi runs schools in Delhi providing safe drinking water to more than 20,000 girl students. As part of its commitment to ecological sustainability, a total of 10,000 samplings were planted in and around various units during the year 2526 for cleaner and greener earth for future generations. To increase the subsoil water level, all the units have installed rainwater harvesting systems. This measure has helped in conservation of water, increase in underground water table and increased greenery in the surroundings.

Your company's outstanding performance across diverse area of business has been widely acknowledged by reputed organizations and institutions. During the year the company received several prestigious awards and accolades in recognition of its achievements in safety, environment sustainability, energy efficiency, productivity, Rajba hrd, CSR and overall business excellence. The philosophy of your company on corporate governance is to ensure transparency, disclosures and reporting that conforms fully with the laws and regulations of the country in order to promote ethical conduct and practices throughout the organization for enhancing stakeholders value.

Your Company is committed to comply with the provisions of Sebi Regulation 2015 relating to corporate Governance and the guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises, Government of India. As we continue our fulfilling journey, I express my gratitude for your continued support and faith in our endeavors. I also take this opportunity to sincerely thank and appreciate my colleagues on the Board of Directors for their valuable guidance and support in running the affairs of this Company.

I also wish to express my thanks to Department of Fertilizers, Fertilizer Industry Coordination

Committee, Department of Public Enterprises, Railways, other Ministries and Departments of the Government of India and the various State Governments for their valuable guidance and look forward to their continued support. I would like to thank statutory, secretarial, cost and Government auditors, banks, regulatory authorities for their guidance and support. I sincerely thank all of our customers and business associates for their continued support.

I would also like to thank all my colleagues in the Company for their unflinching dedication, commitment and contribution to take NFL forward. The team strived very hard, tirelessly to deliver the commendable results. We have commenced the financial year 2627. On a highly encouraging note, during April to July 2026 the company achieved cumulative fertilizer sales of 20 lakh metric ton compared to 16.53 lakh metric ton during the corresponding period of the last year. This translates into significant rise of 21% in the overall sales.

I am confident that with the unwavering support of our stakeholders, the dedications of our employees and the guidance of the Government of India, your Company will continue to scale new heights of excellence. My best wishes to all of you. Jai Hind. Jai hi Bharat. The Company has taken all requisite steps to enable the members to participate and vote in the items as set out in Notice of agm. I would like to announce that statutory registers including Register of Directors and Key Managerial personnel, Register of contracts or Arrangements and other documents required to be made available at the AGM under the provisions of the Company Act 2013 are available for inspection through electronic mode.

With your permissions, I would like to take the Notice of AGM along with Board Report, Auditors Report, comments of the Controller and Auditor General of India and other documents circulated to the members as read, which is also available on the Company's website as well as on the website of National Securities Deposited Limited and on the websites of stock Exchanges that is National Stock Exchange of India Limited and BSE Limited. Now I request the Company Secretary to inform the stakeholders about Auditors observations and comments.

Ashok Jha - Company Secretary, National Fertilizers Ltd
Statutory auditors of the company, Mrs. Rsth and Associates and Mrs. Dasani and Associates started accountants in their Independent Auditors Report on Audited Financial statements including Consolidated financial statements for the year ended 31st March 2026 have not made any qualifications. Their report is unqualified. The Comptroller and Auditor General of India under Section 143 of the Company's Act 2013 has made zero comments on the audited financial statements in standalone and consolidated of the Company for the financial year ended 31 March 2026.

The same can be referred on page number 357 and 358 of the annual Report. Comments of Message Agarwal as an Associates practicing Company Secretaries in their report on Compliance Certificate on Corporate Governance and Secretarial Audit Report along with Secretarial Compliance report with Management's explanation thereon can be referred on page number 136 to 139 and page number 157 to 178 of the annual Report respectively. With your permission I would like to take the same as red. Those members who want to inspect the Strategy Register kept open for inspection may kindly call at the phone number 01202-411-7748 for inspection.

Now I request the Chairman to take up the meeting further.

U. Saravanan - Chairman and Managing Director, National Fertilizers Ltd
Items of business to be transacted in 52nd AGM have already been received by you all. Item

numbers 1 to 5 of the notice are in the nature of ordinary business and item number 6 to 14 are in the nature of a special business. The resolutions, objective and implications are in the best interest of the Company. I request the Company Secretary to read out the items of business set out in the Notice and take the meeting further.

Ashok Jha - Company Secretary, National Fertilizers Ltd
I would like to read out the items as set out in the 52nd AGM notice of the company. A total of 14 items have been proposed for approval of the Members Ordinary Businesses Number one to receive, consider and adopt the audited Financial Statements, including consolidated financial statements of the Company for the financial year ended March 31 to 2026 together with the board's report and auditors report thereon and comments of the Controller and Auditor General of India in terms of section 1436 of the Company's Act 2013 to to declare final dividend of rupees 1.04 per equity share for the financial year ended 31st March 2026.

Third to appoint a director in place of Dr. Yu Saravanan who retires by rotation at this Annual General Meeting and being eligible offers himself for reappointment. Fourth. To appoint a director in place of Sri Mahesh who retires by rotation at this annual general meeting and being elderly offers himself for reappointment. Fifth. To authorize Board of Directors of the company to fix the remuneration of the Statute Auditors of the Company in terms of provisions of section 1421 of the Companies Act 2013 special business.

Sixth to rectify the remuneration of post auditors for the Financial year ended 31st March 2027. 7. To appoint Srikuntal Senma as Government Nominee director of the company. 8th to appoint SRI Anurag Rothi as Government Nominee Director of the company. Ninth to appoint Sri Meghnath Goyal as Director Technical of the company. 10th appoint Sri Arvind Kumar as Director Finance of the company. 11. To appoint Sri Mahatsin as non official independent Director on the board of the company. 12. To adopt new set of articles of association of the company.

13. To increase the borrowing limits of the company. 14. To approve the creation of charges mortgages hypothecation on the immovable and immovable properties of the company. Now I request the Chairman to state of the meeting further.

U. Saravanan - Chairman and Managing Director, National Fertilizers Ltd
Now I shall be glad to answer any queries on the items of the agenda which members wish to rise. I request CS to initiate the question answer session.

Questions & Answers

Ashok Jha - Company Secretary, National Fertilizers Ltd
To start the session I would like to invite speaker shareholders who have registered themselves with the company as such in advance to ask their questions. Before we go live with the question and answer session, here are some points to note. In order to be able to run the AGM in an efficient manner and with a view to address maximum questions from shareholders, each registered shareholder will have two minutes to speak and ask their questions. If there is any connectivity issue at the speaker shareholder side, we will request the next speaker shareholder to speak and the former shareholder will be requested to speak to later.

To avoid repetition, questions will be addressed. After hearing all shareholders, I would request each one of you to please switch off your mobile phones in advance so that there is no disturbance in the

background as I call out your name. Please state your complete name and your DPID client ID before you ask your question. I said now invite the first shareholder who has registered with us to ask his question. Number one Ajay Kumar Jain.

Mangal - Moderator
Mr. Ajay, please unmute yourself.

Ajay Kumar Jain - Shareholder
Last year or purchase financials Bar. Sir dusi bhattagi. Adani badan bayogali shortage supply purikari yehi or is sabame apnea obhat anu adani director of finance arvinsar maggie tomari lokuri and delivers via unknown or apka or apnajo rashtkan or rasht gayana.[Foreign Speech]

Jasmit Singh - Shareholder
Thank you. Thank you. Next Ms. Nirmal anija. Please unmute yourself.

Nirmal Aneja - Shareholder
My name is Nirmal Aneja. My DPID is in 3029-02415 double six four nine five. My question from the Chairman sir is Ministry of Finance guidelines provide for payment of dividend at the rate of 30% of the PAT or 4% of the net worth whichever is higher. Whereas the board has recommended final dividend for the year 2526 of rupees 51.02 crores as per the guidelines of Ministry of Finance 30% of the pet is rupees 50.90 crores and 4% of the net worth is 113.89 crores. Will you please explain the reasons for not complying with the prescribed comment guidelines.

Unidentified Speaker - Unidentified Speaker
Thank you. Next Mr. Santosh Kumar Sara.

Mangal - Moderator
Sarah sir, please unmute yourself. Please unmute yourself.

Santosh Kumar Sara - Shareholder
[Foreign Speech]

Unidentified Speaker - Unidentified Speaker
Next. Sri yes. Yes.

Yashpal Chopra - Shareholder
Am I audible?

Unidentified Speaker - Unidentified Speaker
Yes sir. Yes sir Please

Yashpal Chopra - Shareholder
myself Yashpal Chopra shareholder from Delhi shareholder of the company since public issue I am very very much proud of the company. The company is a really a nationalist nationalist company company with the main motto of just to promote the national theme of our Prime Minister the theme of to promote the interest of our farmers and to promote the agro industries on the map of world map. So this is a big thing. So I am very much proud of the team over there and being a super senior citizen I would like to bless my CMD and the entire visionary team.

Our cfo, our company secretary and all those dedicated persons who are just involved with the with

the cause of this improvement in the company and just getting us better revenues and all that. And they all deserve kudos and I must congratulate them for the excellent performance of the company. I can say it excellent because this was under the circumstances where there was global unrest, there was a war like situation in the Middle east. There were disturbed rich in supply and all that. There was a no smoother sailing for import or export of the goods.

And still our company has made an all round growth in revenue, pbt, pat, eps, EBITA and investor friendly dividend. So I am very very much proud of the team over there. Pray God for their long life and and and a visionary outlook. Sir as regard the the dynamism in the company the company has just diversified for an additional revenue and to earn it because whatever they are earning out of the fertilizer unit from their company that goes to the farmers. So for that so they are now started that additional diversification in trading trading by importing some chemicals which are their need for the fertilizer importing those seeds and having tie up with rsf.

So this is a very big thing. Answer answer further expansion of the company they have contributed to that NRU project in Assam and so my query will just come up that when we are going to reap the benefits of that N roll manufacturing plant because that will be our indigenous indigenous and it will definitely stop meal curtail at the cost of our imports and all that. So this is a very very positive national interest item. I will say sir sir as regarded so I would like to compliment our company secretary for just giving an exhaustive annual report containing 370 pages that is containing virtually all the details of the performance of the company.

So this is a very very is quite exhaustive and quite informative and very good for us sir though virtually there is no scope for any query after the details piece by our cmd. But still I will have some that the first is that how we are adopting that AI strategy in our research, production, marketing our HRD department and and what is the modus operandi of that thing? And sir is there any corporate action of acquisition of any other company with the allied verticals? Because we are in need of some corporate action for quite a long time our company just running like the tromway of Calcutta.

So I want it just to go do something dynamic. Though one thing has been very nicely it has been done that in 2015-16 we were importing this urea and the consumption was around 94% and that was a very very big burden on our imports that has been reduced to around by 50%. This has been a very big thing. So for that our team deserves kudos. They deserve congress for that. So I would just pray God for the positivity for the entire team so that they may just proceed ahead with the new ventures and new inventions and in our company for the benefit of the company, for the benefit of the country.

So because the national interest is the main motto of our company and that will supplement the dreams of our Prime Minister. Best of luck to you. Thanks to our company secretary for getting me a chance to speak to myself and I will thank our Moderator Mr. Mangalaji for giving me a link to join the because I'm a person around 87. I cannot join the AGM without any link. So whenever, wherever I don't get the link I just say bye bye and I don't enjoy it. So I'm thankful to him that he has that a timely link has been provided to me.

Thank you very much.

Mangal - Moderator
Thank you sir. Thank you

Unidentified Participant - Shareholder
sir. Thank you. Next. Shin Gupta.

Mangal - Moderator
Mr. Shivin, please unmute yourself. Mr. Shivin.

Shivin Gupta - Shareholder
Yeah. Am I audible?

Mangal - Moderator
Yes sir.

Unidentified Speaker - Unidentified Speaker
Yes. Please go ahead.

Shivin Gupta - Shareholder
Yeah. Good afternoon everyone. I am Shivan Gupta. My DP ID client ID is 120472 double 003406137. My query from chairman is during the year 2526 company had profit of rupees 232.67 crores. What are the reasons for increase in profitability during the financial year as compared to financial year 2425? Thank you for giving.

Unidentified Speaker - Unidentified Speaker
Thank you. Thank you. Next. Mr. Tony Bhatia.

Mangal - Moderator
Mr. Tony, please unmute yourself.

Tony Bhatia - Shareholder
Hello. Am I audible? Hello. Yes sir.

Mangal - Moderator
Yes sir. Yes sir. Thank

Tony Bhatia - Shareholder
you. Thank you. Thank you and respected chairman. Sir, myself is Tony, my client. There's a DPID is 303-270-0897172. Speaking from Faridabad. Sir, as a long term respective chairman, sub board of directors and my fellow shareholder. As a long term shareholder of National Fertilizer I am encouraged by the strong turnaround. In FY25 26 the company delivered a profit before tax 232.67 crores. A 124% jump from 104 crores last year. And profit after tax 169.65 crore. Turnover rose to 21,231 crore. The board has recommended a dividend of 1:1.04 per share.

Operationally urea production stood at 36.41 lakh empty and with over 112% capacity utilization. Total fertilizer sales rate 65.20 lakh empty. Including a record of 54.45 lakh empty of urea. Importantly, non urea production now contributes over 40% of revenue up from 33% last year. With all time high sales in agrochemicals, potash derived from molasses, seaweed granule and fermented organic manure. Capacity of the biofertilizer plant was doubled. A urea gold plant was commissioned. In commissioned ERP was implemented and the new Assam Valley Fertilizer JV for Namrup 4 was formed.

These steps show clear progress in diversification and long term values creation. As a shareholder aspect Sustained improvement in margins, faster execution of capacity expansion and green

initiative. Better working capital management and continued focus on non urea growth. So that the profitability becomes more consistent and less dependent on subsidy timing. Sir, with your permission I have got only one question. My respected chairman. That is non urea production now contribute over 40% of revenue and delivered record sales.

What is the medium term target for non urea contribution? And what specific capacity additions or new products will drive further growth in this higher margin segment. Mr. Chairman, Corporate Governance you have shown in such a good manner. For this credit goes to our cfo, our company secretary. Yes. One thing. Earlier you were in my respective chairman. Earlier you were in Madras fertilizer. That company was in red. You took over the charge and that company came back on the track. So I am sure with your guidance company will do further.

Well with God grace the same Arin Kumarji, our new director finance. He came from I think Indian Oil. From his guidance our company NFL will do further will give us further best results. I am sure. With these words I won't take much of the time. I am thankful for link and balance sheet I am sending me for this credit goes to our company secretary and investor relation team and also mass services Mangalaji. With these words. Mr. Chairman. Yes. One thing I forget. Earlier you were doing the meeting on 2829 something like that.

Now one week at once. I am thankful and I am sure in future further one week advance will be so with these words I support all the resolutions and I support and seconded the balance sheet. God bless you Mr. Chairman. Thank you.

Unidentified Speaker - Unidentified Speaker
Thank you. Thank you. Thank you. Next. Mr. Mudit Handa.

Mangal - Moderator
Mr. Mudit. Please unmute yourself. Mr. Mudit.

Mudit Handa - Shareholder
Namaskar sir. I am Mudit Handa. My DPID client ID is 1208-8701, oblique 35221. Good afternoon. Grateful for this opportunity, sir. Mr. Chairman. Sir, will you please explain the reason for increase in purchase of stock in trade from rupees 4260 crore during FY 2425 to rupees 7049 crore during FY 2526. Thank you sir.

Unidentified Speaker - Unidentified Speaker
Thank you. Thank you. Next. Sar Jasmit Singh.

Mangal - Moderator
Mr. Jasmit, please unmute yourself. Mr. Jasmit. Thank you. Thank you. Moderator,

Jasmit Singh - Shareholder
I'm trying to enable my camera also. Please allow me a moment. Please.

Mangal - Moderator
You're already visible.

Jasmit Singh - Shareholder
Thank you. G. Thank you. So let me start my note here. Good afternoon Chairman Saabananji.

U. Saravanan - Chairman and Managing Director, National Fertilizers Ltd
Yeah.

Jasmit Singh - Shareholder
And board of directors KMPs and all co fellow shareholders. I Am attending this call from Delhi along with my teammate Charanjit Sir. Chief of finance joke recently joined kiya shri arvind kumarji independent directors or max singh ji delhi say. Vishwas strengthen oga or just company kijo halat mejo joapna sudhar kiyah. They are so capable that they in the that the invariably they are working so hard to to steer growth for our company for all of us. Now you see I have an observation which I would like to share with you and that pertains to the csr.

I understand that we undertake CSR activities mainly in health and nutrition, education, women welfare, rural community development, environment sustainability etc. Etc. Sir, I believe that. Concentrate skill development Skill development for the poor which can create able humans to sustain their family progress in their in their future lives. I will be very happy if my recommendation is being tabled in the company deliberations and taken forward in. During. During this year there were Assam Flats also.

So just would like to know whether we have contributed any bit there. Kyuki Hamara Johabo Agricultural Kesad Hamara Agriculture. Just allow me a moment sir.

Unidentified Participant - Shareholder
Good afternoon everyone. Sir, I would like to know about the vacant positions that the company has and by when the positions will be filled. I wish all the best to everyone. Thank you.

U. Saravanan - Chairman and Managing Director, National Fertilizers Ltd
Thank you.

Unidentified Speaker - Unidentified Speaker
Next. These with these words Mr. Suresh Gupta.

Mangal - Moderator
Suresh, please unmute yourself.

Suresh Gupta - Shareholder
Good afternoon everyone. I am Suresh Gupta having DPID client. Id 1208-1800-5269-3732. My question for the chairman is what is the reason for increase in trade receivable from rupees 3273.30 cr during financial year 2425254 double 1.24 cr during FY24 2526. Thank you.

Unidentified Speaker - Unidentified Speaker
Thank you. Thank you. Next. Ms. Ura Jain. Next. Ms. Poonambala,

Mangal - Moderator
Ms. Punambala is not present in the meeting.

Unidentified Speaker - Unidentified Speaker
Okay. Next. Mr. Suras Dharma.

Mangal - Moderator
Mr. Suraj, please unmute yourself Foreign. Myself

Suraj Sharma - Shareholder
myself Suras Dama having DP and client ID is 1208-703-646-7342. Good afternoon Mr. Chairman and respected board members. Sir, I want to know the reason of increase in current borrowings from 1995 crores during 2425 to 3959 crores during 2526. And I want to thank company secretary and secretarial department of NFL for their commitment, professionalism and diligence in discharging their responsibilities. And their proactive approach, timely compliance with statutory and regulatory requirements, effective coordinations with the stakeholders and high standards of corporate governance have significantly contributed to the smooth and efficient function of the company.

And at last, thank you, Mr. Mangalaji for providing such a wonderful platform for AGMs.

Unidentified Speaker - Unidentified Speaker
Thank you. Next. Mr. Murli Dhar Talreza. Next. Mr. Narendra singh chan.

Mangal - Moderator
Ch. Please unmute yourself. Mr. Chan, please ask. Yes.

Narendra Singh Chan - Shareholder
Good afternoon, Sir. My single request provide. Questions. No one to. Thank you so much. Thank you.

Unidentified Speaker - Unidentified Speaker
Thank you. Thank you. Next. Pratham Gupta.

Mangal - Moderator
Please unmute yourself.

Pratham Gupta - Shareholder
Good afternoon, Mr. Chairman and all the directors. My question is. My question is. Would you please explain. Explain the reason for increase in other financial liabilities from Rupees 841 crore during financial year 202425 to Rupees 131831 crore during financial year 2025-26.

Unidentified Speaker - Unidentified Speaker
Thank you. Next. Surrender. Kumar rolas.

Mangal - Moderator
Mr. Arora is not present at this time.

Unidentified Speaker - Unidentified Speaker
Okay. Next. Mr. Atul Singh.

Mangal - Moderator
Mr. Atul, please unmute yourself.

Atul Singh - Shareholder
Sir, I am atul Singh. My DP ID client ID is 1208-8701-8669-9826. A very good afternoon to Mr. Chairman, sir, directors and others. Sir, my question is from Chairman sir. Sir, under CSR activities, how much amount spent by your company during 2025? 26. Thank you, sir.

Unidentified Speaker - Unidentified Speaker
Thank you. Next. Mr. Rakesh Kumar.

Mangal - Moderator
Mr. Rakesh, please unmute yourself. Mr. Rakesh. Mr. Rakesh Kumar, please unmute yourself. But I think there is a problem.

Ashok Jha - Company Secretary, National Fertilizers Ltd
Okay.

Mangal - Moderator
Please move forward.

Ashok Jha - Company Secretary, National Fertilizers Ltd
Okay. Next. Mr. Satyam Kumar.

Mangal - Moderator
Mr. Satyam, please unmute yourself. Mr. Septam.

Satyam Kumar - Shareholder
Hello.

Unidentified Speaker - Unidentified Speaker
Yes,

Satyam Kumar - Shareholder
Am I audible? Sir,

Unidentified Speaker - Unidentified Speaker
yes, sir.

Satyam Kumar - Shareholder
Good afternoon all of you. I am Satyam Kumar. My DP ID client ID is 1208-880005-15542. I would like to wish you a very good afternoon from first. Mr. Chairman. How has the company strengthened competitiveness related to its presence in industry space margins and the strength of its balance sheet in current times? Thank you.

Mangal - Moderator
Thank you. Thank

Unidentified Speaker - Unidentified Speaker
you. Thank you. Next. Mr. Parveen Kumar.

Mangal - Moderator
Sir, perween kumar not present in the meeting. Okay.

Unidentified Speaker - Unidentified Speaker
Next. Mr. Gagan kumar.

Mangal - Moderator
Mr. Gagan is also not present.

Unidentified Speaker - Unidentified Speaker
Okay. Next. Ms. Shashi kumar.

Mangal - Moderator
Ms. Sashi is also not present.

Unidentified Speaker - Unidentified Speaker
Okay. Next. Mr. Sarjit singh.

Mangal - Moderator
Not present in the meeting.

Unidentified Speaker - Unidentified Speaker
Okay. Next. Mr. Vishnu sharma.

Mangal - Moderator
Mr. Vishnu, please unmute yourself.

Vishnu Sharma - Shareholder
I am audible.

Unidentified Speaker - Unidentified Speaker
Yes,

Mangal - Moderator
sir.

Unidentified Speaker - Unidentified Speaker
Yes, sir. Please.

Vishnu Sharma - Shareholder
Thank you, respected chairman sir, that you gave me an opportunity to speak at this forum today. Sir, my name is Vishnu The Sharma shareholder speaking from Delhi. Sir, I hereby approve all the agenda items in favor. Sir, at present our company is doing well. And I hope that our company will do extremely well in future also Sir, I have a getting full cooperation from our secretary team headed by our company secretary and cfo. Corporate governance of a company is satisfactory, sir. Balance sheet of our company is transparent.

Sir, may I know the roadmap of growth of our company for next to two to three year and expansion plan of business also. Sir, I hereby convey my regards and best wishes to our management team and secretary team. They are doing their best. Sincerely. Thank you sir. Jar. Thank you.

Unidentified Speaker - Unidentified Speaker
Thank you. Next. Mr. Ashish Rai.

Mangal - Moderator
Mr. Ashish, please unmute yourself. Mr. Ashish, please Unmute yourself. Mr. Ashish, please ask your question. I think there is problem in my. Mr. Ashish. Mr. Ashish. Hello.

Unidentified Speaker - Unidentified Speaker
Okay. This was the last one.

U. Saravanan - Chairman and Managing Director, National Fertilizers Ltd
Okay.

Ashok Jha - Company Secretary, National Fertilizers Ltd
Yes,

U. Saravanan - Chairman and Managing Director, National Fertilizers Ltd
right. So first of all thank you so much for all the stakeholders who come forward and mainland Mostly they appreciated the efforts of the company and that has given a really encouragement to do further better. And I like to answer a few of the observations made by our stakeholders. First observation was about that that's dividend. Even whether it has to be paid 30 of PAT or a 4% of network. Whether it is well within the no rule or not. I like to tell you that that company who wanted exemption into this is as per rule only because we have to pay higher or both.

Depending upon that we have some future proposal in our mind. And we would like to give 30% of pity instead of 4% of net worth again with the approval of a Department of Fertilizer and then government body. So I would like to say that it is well within the norms. And there was another observation like what is that impact of the artificial intelligence? Yes, like any other company our your company has also already started to introduce a wherever possible. And already I told direct finance and it is deporting under him.

And our team is already on the job. And anything happens in the future we'll let you know. Really. But I would say that company is already on the path of utilizing any benefits comes out of that AA. And there were some questions about that. What are the reasons for the increased profit over the last year? I would say that that as I mentioned in my director's report that most of the majority of the profit has come from the traded of goods especially domestic product sales that has now grown up into a 500 crore turnover separate vertical which has fetched us around 20% of profit.

And of course we have reduced all the non core expenses and then financial cost has been reduced significantly. And also we have realized some of the past dues from the government. And there was observation like what is the reason for higher stock in trade highly due to the higher imports. Whenever government ask us to do more of urea trading and whenever we get a good opportunity to buy more of DAP and do trading of imports, at that time the stocks will be in higher positions. That is always good for us because it is fetching us some margin out of that.

And there was a observation support that CSR yes company is also putting efforts in the skill development of the marginalized people. You know last year 25, 26 companies spent about nearly half a crore on the skill development alone. And there was a query about that increased trade receivables. It is due to the subsidy receivables of the manufactured goods that is mainly urea. And our current borrowings also increased due to lower receptor of the subsidy that is under control only. I would say that other financial liabilities also increased.

Why there was a question after this? Because it has got increased due to liability towards the security deposit on account of a purchasing area on an account of government. And there was a query on that that expenditure of CSR of the year 2000 and 2326 for the 2025-26 the CSR fund was allocated fund was about 5.38 crore out of which 2.49 crores have been spent for that year and 1.14 crore which has been earmarked for the previous year has been allocated and balance has been transferred to the separate bank account.

Regarding the competitiveness and then keeping the company in the future challenges a lot of efforts have been taken up and that is including the energy saving schemes that has been now

formulated in various our units and also the roadmap for the companies. As I already told in our my director's report stating that we are investing into urea businesses and also we are expanding our Nangal unit and we are now mainly focusing on the traded goods and thereby we are supporting our indigenous manufacturers and thereby we are making very good products available to the farmers.

And we also started now a lot of kissandan centers wherein we are ensuring the farmers fertilizers at affordable price at right time. And we are also gone global. As I said that we are also invested partly in India, Russia, urea projects. Likewise, whatever challenges that are coming up in the future, companies has been geared up with a visionary outlook. And I would like to tell the all the stakeholders that NFL does kind of a holy business to protect the farmers welfares and then make the fertilizer availability in joining hands with the government.

Let it be any crisis comes within the country or outside the country, let it be any global crisis. Our government will not impact that onto farmers. He takes all the mitigation measures and enable being a PSU will join his hands with the government to support the government and see that nothing is affecting the farmers and nothing is affecting our food security. And the company will strive very hard to manufacture more fertilizer to trade more fertilizers and keep more fertilizer available to the farmers.

Thank you so much. As previously told, the Company has provided the E voting facility during the AGM for members who have not cast their vote through remote E voting and who are present at the AGM as the meeting is convened through video conferencing or other audio visual means. Today resolutions have already been put to vote through remote E voting and the requirement to propose and second is not applicable. And Company Company Secretaries has been appointed as a scrutinizer to scrutinize the remote E voting and E voting at the agm.

The E voting facility is available in the E voting platform of the NSTL. The e voting facilities would close after 15 minutes from conclusion of this AGM. The results of the E voting will be informed to these stock exchanges and will be posted on the website of the Company and NSDL within a period of two working days of a conclusion of agm. Now I declare that the meeting stands concluded and I once again thank each one of you for your attendance through video conferencing or other audio visual means and cooperations.

I wish the stakeholders all the very best and good health. I hope you will excuse the inconvenience and any other glitches you might have faced in the virtual idiom. I now declare the meeting as closed. Thank you all. Jai Hind.

Ashok Jha - Company Secretary, National Fertilizers Ltd
Now I request Sri Mahesh Chandragupta, Director Marketing of the Company to give his vote of thanks to the shareholders.

Mahesh Chander Gupta - Director (Marketing), National Fertilizers Limited
It is my pleasure that I rise to propose a vote of thanks at this 52nd Annual General Meeting of National Fertilizers Limited. I sincerely express my thanks to Dr. Yu Sarvanan, CMD all and all directors, President Nominee Sri Anurag Ratakiji members attending this meeting through video conferencing or other audio visual means Auditor, secretarial Auditor, Scrutinizer, NFL employers, Company Secretary and his team who have contributed to make this meeting a success. Thank you very much.

Unidentified Participant - Shareholder
Thank you. Thank you thank you.