# Prasol
## Chemicals Limited

# 34th Annual Report 2025-26

ISO 9001
ISO 14001
ISO 45001
BUREAU VERITAS
Certification

# CONTENT

## Corporate Overview


Board of Directors 1

Corporate Information 2

Financial Highlights 3

## Statutory Reports


Directors' Report 4

Corporate Governance Report 23

Management Discussion and Analysis 46


## Financial Statements


Independent Auditor's Report 52

Balance Sheet 61

Statement of Profit and Loss 62

Statement of Cash Flows 63

Statement of Changes in Equity 64

Notes to Financial Statements 65

## Notice


34th Annual General Meeting Notice 116

# Awards, Accolades and Certificates

सत्यमेव जयते

Government of India / भारत सरकार

Ministry of Commerce and Industry / वाणिज्य और उद्योग मंत्रालय

Department of Commerce / वाणिज्य विभाग

Directorate General of Foreign Trade / विदेश व्यापार महानिदेशालय

Office of the Additional Director General of Foreign Trade, Mumbai

CGO Office, New Building, SE wing, New Marine Lines , Churchgate, MUMBAI, MAHARASHTRA, 400020 / सीजीओ कार्यालय, न्यू बिल्डिंग, एसई विंग, न्यू मरीन लाइन्स, चर्चगेट, मुंबई, मुंबई, महाराष्ट्र, 400020

मान्यता प्रमाण पत्र

Certificate of Recognition

तीन सितारा निर्यात हाउस

Three Star Export House

मेसर्स PRASOL CHEMICALS LIMITED

(आ ई ईसी 0393076873 और आयकर पैन AAACP2389N) को विदेश व्यापार नीति, 2023 के प्रावधानों के अनुसार तीन सितारा निर्यात सदन का स्तर प्रदान किया जाता है | यह प्रमाण पत्र, प्रक्रिया पुस्तक(2023) में दी गयी शर्तों के निहित 5 वर्षों की अवधि के लिए दिनांक 16/08/2023 से 16/08/2028 तक वैध होगा।

M/s PRASOL CHEMICALS LIMITED

(IEC 0393076873 and Income Tax PAN AAACP2389N) are hereby accorded the status of Three Star Export House in accordance with the provisions of the Foreign Trade Policy,2023 . This Certificate is valid for a period of 5 years effective from 16/08/2023 to 16/08/2028 subject to the conditions prescribed in Hand Book of Procedures (2023)

तारीख /Date 28/08/2023 — R.K. MISHRA

स्थान /Place MAHARASHTRA — Additional DGFT

(फाइल /File No.) MUMSTATAPPLY00000433AM24

**Three Star Export House**
**By Ministry of Commerce and Industry**

ICC Membership No: ICC-WR/RM/P-07 — RC Logo No: 111

Responsible Care®

OUR COMMITMENT TO SUSTAINABILITY

Presented to

PRASOL CHEMICALS LIMITED

With permission to use the RC Logo

[Valid from FEBRUARY 2026 TO JANUARY 2029]

ICC
Indian Chemical Council

**Responsible Care Certification from**
**the Indian Chemical Council (ICC)**

Bureau Veritas Certification

PRASOL CHEMICALS LIMITED

**Plant:** Survey No. 08, 13, 14, 15, 16, 25, 75, Takai Adoshi Road, Honad Village, Khopoli, Taluka Khalapur, Dist. Raigad – 410 203, Maharashtra, India.

This is a multi-site certificate, additional site(s) are listed on the next page(s)

*Bureau Veritas Certification Holding SAS – UK Branch certifies that the Management System of the above Organisation has been audited and found to be in accordance with the requirements of the Management System Standards detailed below.*

*Standards*

**ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018**

*Scope of certification*

**MANUFACTURE, REPACKING, STORAGE & DISPATCH OF SYNTHETIC, ORGANIC AND INORGANIC CHEMICALS**

Original cycle start date: **27 April 2022**
Expiry date of previous cycle: **26 April 2025**
Recertification Audit date: **03 June 2025**
Recertification cycle start date: **30 August 2025**

Subject to the continued satisfactory operation of the Organisation's Management System, this certificate is valid until: **26 April 2028**

Certificate No. **IND.25.365/IM/U** Version: **1** Issue date: **30 August 2025**

For certificate authenticity, click here https://certcheck.ukas.com/

| | |
|---|---|
| ISO 9001 | IN051880 |
| ISO 14001 | IN051878 |
| ISO 45001 | IN051879 |

UKAS MANAGEMENT SYSTEMS 0008

***Signed on behalf of BVCH SAS UK Branch***
***Dr. JN MANIAN***
***Director – CERTIFICATION, South Asia***
***Commodities, Industry & Facilities Division***

*Certification body address: 5th Floor, 100 Lower Thames Street, London, EC3R 6DL, United Kingdom.*

*Local office: Bureau Veritas (India) Private Limited (Certification Business) 72 Business Park, Marol Industrial Area, MIDC Cross Road "C", Andheri (East), Mumbai – 400 093, India.*

Pg 1 of 2

Further clarifications regarding the scope of this certificate and the applicability of the management system requirements may be obtained by consulting the organisation.
To check this certificate validity please call + 91 22 6274 2000.

Bureau Veritas Certification

PRASOL CHEMICALS LIMITED

*Standards*

**ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018**

*Scope of certification*

| SITE | ADDRESS | SCOPE |
|---|---|---|
| Khopoli (Honad Site I) | Survey No. 08, 13, 14, 15, 16, 25, 75, Takai Adoshi Road, Honad Village, Khopoli, Taluka Khalapur, Dist. Raigad – 410 203, Maharashtra, India. | Manufacture, Repacking, Storage & Dispatch of Synthetic, Organic and Inorganic Chemicals |
| Khopoli (Dheku Site II) | Survey No. 74, 146, 150, 151, 152, 154, Takai Adoshi Road, Dheku Village, Khopoli, Taluka Khalapur, Dist. Raigad – 410 203, Maharashtra, India | Repacking, Storage & Dispatch of Synthetic, Organic and Inorganic Chemicals |
| Mahad Five Star MIDC | Plot No. FS 30, Mahad Five Star M.I.D.C., Village Amshet, Taluka Mahad, Dist. Raigad – 402 309, Maharashtra India. | Manufacture, Repacking, Storage & Dispatch of Synthetic, Organic and Inorganic Chemicals |

Certificate No. **IND.25.365/IM/U** Version: **1** Issue date: **30 August 2025**

For certificate authenticity, click here https://certcheck.ukas.com/

| | |
|---|---|
| ISO 9001 | IN051880 |
| ISO 14001 | IN051878 |
| ISO 45001 | IN051879 |

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***Dr. JN MANIAN***
***Director – CERTIFICATION, South Asia***
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Pg 2 of 2

Further clarifications regarding the scope of this certificate and the applicability of the management system requirements may be obtained by consulting the organisation.
To check this certificate validity please call + 91 22 6274 2000.

**Multi-Site ISO Certification**

# ❊ Corporate Social Responsibility Activities ❊

Health Camp

Promotion of Education

Medical Equipment support

Promoting Sports

Borewell Water Supply

# ❊ Corporate Social Responsibility Activities ❊

Cleaning Drive

Women Empowerment

Ability Beyond Limits

Go Green

# BOARD OF DIRECTORS

**Mr. Nishith Shah**
Chairman and Wholetime Director

**Mr. Gaurang Parikh**
Managing Director

**Mr. Dhaval Parikh**
Joint Managing Director

**Mr. Pankil Dharia**
Whole-time Director -
Strategy and Business Development

**Mr. Rakesh Jadhav**
Whole-time Director -
EHS, Governance & Business Process

**Mr. G. Ramakrishnan**
Independent Director

**Prof. (Ms). Lakshmi Kantam M**
Independent Director

**Mr. Ajay Jain**
Independent Director

**Mr. Srinivasan Subramanian**
Independent Director

**Mr. Narayanan Nair**
Independent Director

# CORPORATE INFORMATION

### Audit Committee
Mr. Srinivasan S. (Chairman)
Mr. Ajay Jain
Mr. G. Ramakrishnan

### Nomination and Remuneration Committee
Mr. G. Ramakrishnan (Chairman)
Mr. Srinivasan S.
Mr. Ajay Jain

### Stakeholders Relationship Committee
Mr. Ajay Jain (Chairman)
Mr. Nishith Shah
Mr. Gaurang Parikh

### Corporate Social Responsibility Committee
Prof.(Ms.) Lakshmi Kantam M. (Chairperson)
Mr. Nishith Shah
Mr. Gaurang Parikh

### Risk Management Committee
Mr. Nishith Shah (Chairman)
Mr. Gaurang Parikh
Mr. G. Ramakrishnan

### Sustainability Committee
Mr. Dhaval Parikh (Chairman)
Mr. Nishith Shah
Mr. Gaurang Parikh

### Initial Public Offer (IPO) Committee
Mr. Nishith Shah (Chairman)
Mr. Gaurang Parikh
Mr. Dhaval Parikh
Mr. Pankil Dharia

### Administrative Committee of the Board
Mr. Nishith Shah (Chairman)
Mr. Gaurang Parikh
Mr. Dhaval Parikh
Mr. Pankil Dharia

### Key Managerial Personnel
Mr. Rahul Shroff - Chief Financial Officer & Finance Director
Ms. Kiran Agrawal - Company Secretary & Compliance Officer

### Registered Office
Prasol House, Plot No A - 17/2/3,
T. T. C Industrial Area, Khairne M.I.D.C.,
Navi Mumbai, Thane – 400710, Maharashtra
CIN: U99999MH1992PLC065026
Phone: + (91 -22) 61952500
Fax: + (91-22) 61952577

### Plants
**Honad**
Group Gram Panchayat (Honad): Survey No. 08, 13, 14, 15, 16, 25, 75, Takai Adoshi Road, Honad Village, Khopoli, Taluka Khalapur, Dist – Raigad - 410203, Maharashtra.

**Dheku**
Survey No. 74, 146, 150, 151, 152, 154, Takai Adoshi Road, Dheku Village, Khopoli, Taluka Khalapur, Dist. Raigad - 410203, Maharashtra.

**Mahad**
Plot No. FS 30, Mahad Five Star MIDC, Amshet Village, Taluka Mahad, Dist. Raigad – 402309, Maharashtra.

### R&D Division
Prasol House, Plot No A - 17/2/3,
T. T. C Industrial Area, Khairne M.I.D.C.,
Navi Mumbai, Thane – 400710, Maharashtra

### Corporate Website
www.prasolchem.com
Email: investorservices@prasolchem.com
CIN: U99999MH1992PLC065026

### Statutory Auditor
C N K & Associates LLP, Chartered Accountants
501, Narain Chambers
M. G. Road, Vile Parle East
Mumbai - 400057

### Cost Auditor
Rajesh Soni, Cost Accountant
C-102 New Chandroday,
Banushali Lane, Ghatkopar (E), Mumbai – 400077

### Secretarial Auditor
AVS & ASSOCIATES, Company Secretaries
(Peer Reviewed Firm)
Office no. 305, 3rd Floor,
Sector 1, Building No. 2, Millennium Business Park,
Mahape, Navi Mumbai - 400710

### Bankers /Financial Institutions
Union Bank of India (E-Andhra Bank)
Citibank N.A.
IDBI Bank Limited
DBS Bank India Limited
ICICI Bank Limited
Kotak Mahindra Bank Limited
HDFC Bank Limited

### Security Trustee
Axis Trustee Services Ltd

### Registrar & Share Transfer Agent
KFin Technologies Limited
(formerly known as KFin Technologies Private Limited)
Selenium Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda, Hyderabad – 500 032

### Secretarial Department
Prasol House, Plot No A - 17/2/3,
T. T. C Industrial Area, Khairne M.I.D.C.,
Navi Mumbai, Thane – 400710, Maharashtra
CIN: U99999MH1992PLC065026
Phone: + (91-22) 61952500
Fax: + (91-22) 61952577
Email: investorservices@prasolchem.com

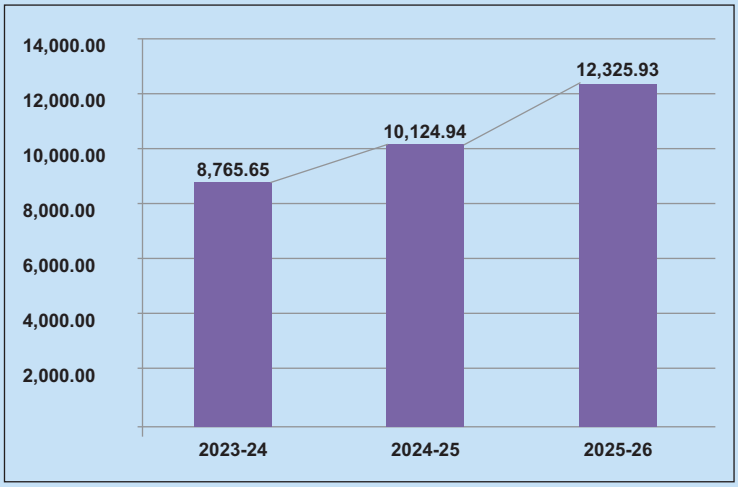
# FINANCIAL HIGHLIGHTS

(₹ in Millions)

| Particulars | 2023-24 | 2024-25 | 2025-26 |
|---|---|---|---|
| Revenue from operations | 8,765.65 | 10,124.94 | 12325.93 |
| Other Income | 109.97 | 30.93 | 52.52 |
| Finance Cost | 108.89 | 82.48 | 79.77 |
| Depreciation | 213.62 | 232.76 | 246.96 |
| EBIDTA | 708.68 | 899.56 | 1445.72 |
| Profit Before Tax | 335.22 | 592.90 | 1118.99 |
| Tax | 153.79 | 157.18 | 287.75 |
| Profit After Tax | 181.43 | 435.72 | 831.24 |
| Share Capital | 116.00 | 116.00 | 116.00 |
| Reserves and Surplus | 3,142.47 | 3,558.70 | 4369.05 |
| Fixed Assets | 3,479.94 | 3,472.90 | 3611.94 |
| Earning Per Share (₹) | 3.13 | 7.51 | 14.33 |

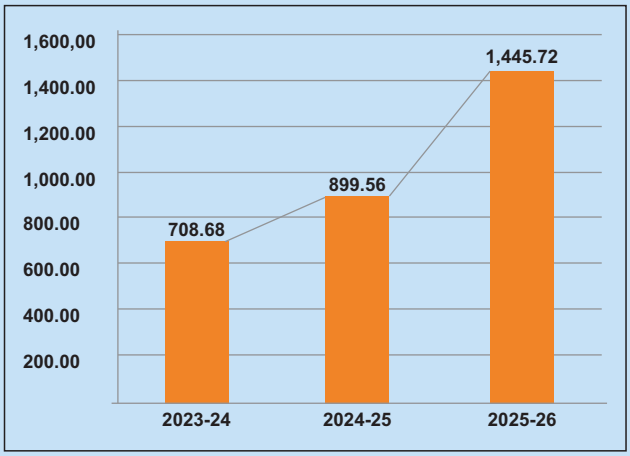
## Revenue from Operations

(₹ in Millions)




## Profits before Finance Cost, Depreciation and Tax (EBITDA)

(₹ in Millions)



# DIRECTORS' REPORT

**The Members,**

**Prasol Chemicals Limited**

The Directors are pleased to present the 34th Annual Report and the audited accounts of the Company for the year ended March 31, 2026.

**Financial Highlights:**

The Company's performance during the year ended March 31, 2026 as compared to the previous financial year is summarized below:

**(Amount in Millions)**

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| I. Revenue from Operations | 12,325.93 | 10,124.94 |
| II. Other Income | 52.52 | 30.93 |
| **III. Total Income** | **12,378.45** | **10,155.87** |
| **IV. Expenses** | | |
| Cost of Materials Consumed | 6,884.67 | 6,075.99 |
| Purchase of Stock-in-Trade | 1,750.88 | 1,343.12 |
| Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade | (96.47) | (175.60) |
| Employee Benefits Expense | 503.66 | 416.99 |
| Finance Costs | 79.77 | 82.48 |
| Depreciation and Amortization Expense | 246.96 | 232.76 |
| Other Expenses | 1,889.99 | 1,587.23 |
| **Total Expenses (IV)** | **11,259.46** | **9,562.97** |
| **V. Profit Before Tax** | **1,118.99** | **592.90** |
| **VI. Tax expense:** | | |
| 1. Current Tax | 276.89 | 154.32 |
| 2. Deferred Tax | 6.70 | (2.38) |
| 3. Adjustment of Tax for Earlier Years | 4.16 | 5.24 |
| **VII. Profit/ (Loss) for the Year** | **831.24** | **435.72** |
| **VIII. Other Comprehensive Income** | | |
| A. (i) Items that will not be reclassified to (profit)/ loss | 4.66 | 2.79 |
| (ii) Income tax related to items that will not be reclassified to profit or loss | (1.17) | (0.70) |
| **IX. Total Comprehensive Income for the Year (Comprising Profit/(Loss) and Other Comprehensive Income for the Year)** | **827.75** | **433.63** |
| **X. Earning per Equity Share of Face value of ₹ 2/- each** | | |
| 1. Basic in ₹ | 14.33 | 7.51 |
| 2. Diluted in ₹ | 14.33 | 7.51 |

**Performance of the Company**

Highlights of your Company's performance are as under:-

- Your Company's Revenue from Operations for the year Increased to ₹ 12,325.93 mn (current year), as compared to ₹ 10,124.94 mn (previous year).
- Earnings before interest, tax, depreciation and amortization (EBITDA) Increased to ₹ 1,445.72 (current year), as compared to ₹ 908.14 mn (previous year).
- Profit before tax (PBT) increased to ₹ 1,118.99 as compared to ₹ 592.90 mn (previous year).
- Profit after tax (PAT) Increased to ₹ 831.24 mn (current year) as compared to ₹ 435.72 mn (previous year).
- Your company has been able to increase higher production and sales volume and also leverage market conditions to attain higher net sales realization which contributed to higher profits for Fiscal 2026.

**Awards & Accolades**

It is immense pleasure to inform that, Company has received certification, which permits Prasol Chemicals to use the Responsible Care logo until 2029 and finds a place on the Indian Chemical Council's (ICC) accreditation list.

**Nature of Business**

There was no change in nature of business of the Company during the year under review.

Your Company is in the process of completing and complying with various requirement(s) related to Initial Public offer ("IPO").

**Dividend**

Your Directors have recommended Dividend @60% i.e. ₹1.20 per equity share subject to the approval of the shareholders at the ensuing Annual General Meeting for the Financial Year ended March 31, 2026. The said dividend, if approved by the shareholders, would involve a cash outflow of ₹ 69.60 mn.

**Transfer to Reserves**

During the year, your Company has not transferred any amount to General Reserve.

**Transfer of Unclaimed Dividend to Investor Education and Protection Fund**

Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013, there is no unclaimed dividend or other amount relating to the company's securities due for remittance to the Investor Education and Protection Fund during the year under review.

**Subsidiaries, Associates and Joint Venture Companies**

The Company had written off its investment in Prasol Aromatics Private Limited (PAPL) in March 2025. Consequently, as of March 31, 2026, the Company did not have any subsidiary.

PAPL was incorporated on November 1, 2023. It was an Associate Company of the Company until January 23, 2025, during which period the Company's shareholding was 34%. With effect from January 24, 2025, PAPL became a wholly owned subsidiary of the Company.

An application for striking off the name of PAPL was filed on April 28, 2025. Subsequently, the Registrar of Companies (ROC) struck off the name of the company on July 22, 2025, and the same was formally communicated by the Ministry of Corporate Affairs through an email dated July 23, 2025.

As on the date of this Report, the Company does not have any subsidiary, associate, or joint venture.

**Deposits**

During the year under review, your Company has neither invited nor accepted any deposits from the public under the provisions Section 73 and 76 of the Companies Act 2013 and Companies (Acceptance of Deposits) Rules, 2014 and there are no amounts on account of principal or interest on deposit outstanding as on March 31, 2026.

**Particulars of contracts or arrangements with Related Parties**

The Company has entered into transactions with related parties, all these transactions were in the ordinary course of business and on arm's length basis. There were no material significant related party transactions made by the Company with its Promoters, Directors, Key Managerial Personnel or any other designated person(s) which may have potential conflict of interest with the Company at large or which warrants the approval of the shareholders.

Particulars of contract or arrangements or transactions on arm's length basis are disclosed in Notes to Accounts forming part of this report. Further, the detailed disclosure on related party transactions as per IND AS-24 is provided in the Company's financial statements.

**Particulars of Loans, Guarantees, and Investments made Under Section 186**

Loans, Guarantees, and Investments made under the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, as on March 31, 2026, are set out in Notes to the Financial Statements of the Company.

**Details of Significant and Material Orders passed by Regulators or Courts or Tribunals impacting the Going Concern Status and Companys' operation in future**

During the reporting period, there has been no significant or material order passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

## Directors and Key Managerial Personnel

### Directors' Appointment and Re-appointment

- Mr. Ajay Jain (DIN 02815416) has been appointed as Non-Executive Independent Director for a term of five (5) consecutive years with effect from December 18, 2024, his appointment was regularized by the members at the Extra-ordinary General Meeting held on June 18, 2025;
- The Board of Directors at its meeting held on June 18, 2025, appointed Mr. Narayanan Pulukhool Nair (DIN 11124568) as an Additional Director (Non-Executive Independent Director) for a term of five (5) consecutive years with effect from June 18, 2025 and his appointment was regularized by the members at the Annual General Meeting held on September 17, 2025;
- The Board of Directors at its meeting held on June 18, 2025, appointed Mr. Rakesh Shivaji Jadhav (DIN 07508734) as an Additional Director (Whole-time Director – EHS, Governance & Business Process) for a term of 3 (three) years with effect from June 18, 2025 and his appointment was regularized by the members at the Annual General Meeting held on September 17, 2025.

### Retirement by Rotation

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with the Rules made there under, Mr. Dhaval Parikh (DIN 01636199), Director, retires by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment. Mr. Dhaval Parikh is not debarred from holding the office of Director pursuant to any Securities and Exchange Board of India Order or any other authority.

As on the date of this report, the Board consists of ten Directors, out of which, four executive directors are promoter directors and one non promoter director and five Non-Executive Independent Directors out of which one is Independent Woman Director. This meets with the requirements of the Companies Act, 2013, read with the rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, regarding composition of the Board of Directors (Executive and Non-Executive Directors).

### Key Managerial Personnel (KMP)

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel (KMP) of the Company as on the date of this Report are:

| Sr. No. | Name of KMP | Designation |
|---|---|---|
| 1 | Mr. Nishith Shah | Chairman and Whole-time Director |
| 2 | Mr. Gaurang Parikh | Managing Director |
| 3 | Mr. Dhaval Parikh | Joint Managing Director |
| 4 | Mr. Pankil Dharia | Whole-time Director – Strategy and Business Development |
| 5 | Mr. Rakesh Shivaji Jadhav (Appointed with effect from June 18, 2025) | Whole-time Director – EHS, Governance & Business Process |
| 6 | Mr. Rahul Shroff | Chief Financial Officer & Finance Director |
| 7 | Ms. Kiran Agrawal | Company Secretary & Compliance Officer |

## Board Meetings

During the financial year, 6 (Six) Board Meetings were held, the maximum gap between any two Board Meetings did not exceed one hundred and twenty days. The details of the Board of Directors and Committees along with their composition, number of meetings held and attendance at the meetings are provided in the Corporate Governance Report which forms part of this Annual Report.

## Declaration by Independent Directors

The Company has received declarations from all the five Independent Directors under Section 149 (7), confirming that they meet the criteria of independence prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and read with the Schedules and Rules made thereunder. The Independent Directors have complied with the code of conduct prescribed in Schedule IV to the Act.

## Policy on Director's Appointment and Remuneration

The Company has formulated and adopted the Nomination and Remuneration Policy in accordance with the provisions of section 178 of the Companies Act, 2013 read with the rules made there under.

The said Policy of the Company, inter alia, provides that the Nomination and Remuneration Committee shall formulate the criteria for appointment of Executive, Non-Executive and Independent Directors on the Board of Directors of the Company and persons in the Senior Management of the Company, their remuneration including

determination of qualifications, positive attributes, independence of Directors and other matters as provided under subsection (3) of Section 178 of the Companies Act, 2013 (any statutory modification(s) or re-enactment(s) thereof for the time being in force).The said Policy also includes criteria for making payments to Non- Executive Directors.

**Familiarization program for Independent Director**

The aim of providing familiarization program to Independent Directors (IDs) is to familiarize them with the business operation of the Company, the operational and financial performance of the Company, significant developments so as to enable them to take well informed decisions in a timely manner.

The Company has adopted the policy on familiarization program for Independent Directors.

Details of familiarization program imparted to the Independent Directors have been disclosed in the Corporate Governance section.

**Annual Evaluation by the Board**

Pursuant to the provisions of Section 149 (8), Clause VIII of Schedule IV and Regulation 17 (10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, the Board has carried out the Annual Performance Evaluation of the Board and Committees as a whole, Individual Committees and of the Individual Directors including Independent Directors (except evaluation of the Directors being evaluated).

As per clause VII of Schedule IV of the Act and Regulation 25 (3) and (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, separate meeting of the Independent Directors of the Company was held to i) review the performance of Non-Independent directors and Board of Directors as a whole; ii) review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and iii) assess the quality, quantity and timeliness of flow of information between the Management and Board of directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

During the reporting period under review, provisions of Section 134 (3) (p) read with the Rule 8 (4) of the Companies (Accounts) Rules, 2014 not applicable with respect to disclosure of manner in which evaluation has been carried out, said provisions may be complied in the subsequent financial year subject to its applicability.

**Events Subsequent to the Date of Financial Statements**

No Significant event has taken place post-closure of the date of the Financial Statement except following:

Pursuant to receipt of SEBI approval in the month of March, 2026, your Company is in the process of completing and complying with further requirement(s) related to Initial Public offer ("IPO").

**Particulars of Employees**

Disclosures relating to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Annual Report in **Annexure A,** which forms part of this Report.

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in the Annual Report which forms part of this Report. Having regard to the provisions of the first proviso to Section 136(1) of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered Office of your Company with prior notice and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

**Auditors**

**A. STATUTORY AUDITORS**

Pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules framed thereunder, M/s. CNK & Associates LLP, Chartered Accountants (FRN: 101961W/W-100036) were appointed as Joint Statutory Auditors at the 30th Annual General Meeting of the Company held on September 27, 2022 for one term of five consecutive years to hold office until the conclusion of the 35th Annual General Meeting of the Company to be held in the year 2027.

Pursuant to the provisions of Section 139 (1) read with proviso and Rule 4 of the Companies (Audit & Auditors) Rules, 2014 M/s. CNK & Associates LLP, Chartered Accountants (FRN: 101961W/W-100036), have given written consent along with a confirmation that they continue to comply with the eligibility norms, as prescribed under the Companies Act, 2013.

Due to non-mandatory requirement, in discussion with the management, M/s S.V. Shanbhag & Co., Chartered Accountants' (FRN 109887W) has resigned from the position of Statutory Auditors with effect from March 21, 2023.

M/s CNK & Associates LLP, Chartered Accountants (Firm Registration No.101961W/W – 100036), continue as Sole Statutory Auditor of the Company.

During the year under review, the Statutory Auditors have not made any major qualifications, reservations or adverse remark or disclaimer in their report on the financial statements for the year ended March 31, 2026 except observation regarding the need to strengthen system controls over the maintenance of quantitative item-wise inventory records, including inventory lying at various stages of processing, and the allocation of overhead costs, for which certain details are currently maintained manually.

The Company acknowledges the observation and your Company has initiated appropriate steps to further strengthen its inventory management and costing processes. The implementation of an automated system is currently under discussion and planning, with the objective of ensuring robust maintenance of inventory records and systematic allocation of overheads.

During the year under review, the Statutory Auditors have not reported any instances of fraud pursuant to the provisions of Section 143(12) of the Act, which mandates auditors to report frauds committed by officers or employees of the Company. Accordingly, no disclosure is required under Section 134(3) (ca) of the Act in this regard.

**B. COST AUDITOR**

Pursuant to the provisions of Section 148 (1) of the Companies Act, 2013, read with Rule 3 of the Companies (Cost Records and Audit) Rules, 2014, your company is required to maintain cost records and accordingly such records and accounts are prepared and maintained.

Pursuant to the provisions of Section 148 (3), read with the Rule 14 of the Companies (Audit and Auditors) Rules, 2014 as amended, the Board of Directors has appointed Mr. Rajesh Soni, Cost Accountant, Membership No. 12107 as the Cost Auditor for conducting the audit of the cost records of the company for the financial year 2025-26 and fix remuneration.

As recommended by the Audit Committee, the Board of Directors at its meeting held on June 15, 2026 proposed the appointment of Mr. Rajesh Soni, Cost Accountant to conduct the audit of the cost records for the financial year 2026-27 and fix the remuneration. Approval of the members is sought by way of ratification for the remuneration payable, as required under the provisions of the Companies Act, 2013 and rules framed thereunder.

Pursuant to the provisions of Section 148 read with Rule 6 (1) (1A) of the Companies (Cost Records and Audit) Rules, 2014, Mr. Rajesh Soni, Cost Accountant has given written consent along with confirmation that, the appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013.

During the year under review, the Cost Auditor has not reported any instance of fraud under Section 143(12) of the Act. Accordingly, no disclosure is required under Section 134(3) (ca) of the Act.

**C. INTERNAL AUDITORS**

Pursuant to the provisions of Section 138 read with the Rule 13 of the Companies (Accounts) Rule, 2014, M/s. Aneja Associates, Chartered Accountants, Firm Registration No. 100404W has been appointed as an Internal Auditors of the Company for a period of one year to conduct audit of the Books of account for the financial year 2026-27.

**D. SECRETARIAL AUDITORS**

Pursuant to the recommendation of the Audit Committee, the Board of Directors at its meeting held on August 14, 2025, M/s. AVS & Associates**,** Practicing Company Secretary (Firm Registration Number : P2016MH54900 and Peer Review Number :1451/2021), were appointed as the Secretarial Auditor of the Company for the Financial Year 2025 -26 as required under Section 204 of the Companies Act, 2013 and the rules made thereunder to issue Secretarial Audit Report. As your company is not listed, Annual Secretarial Compliance report for the financial year ended March 31, 2026 has not been obtained.

A report from the Secretarial Auditor for the financial year 2025-26 in the prescribed form MR – 3 is annexed as an **Annexure B** forming part of this report. There are no qualifications, reservation or adverse remark made by the Secretarial Auditor in their report, save and except disclaimer made by them in discharge of their professional obligation.

During the year under review, the Secretarial Auditor had not reported any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

**Internal Control Systems & Their Adequacy**

Your Company has policies, procedures and processes that ensure the accuracy, completeness and reliability of financial reporting and transactions. With periodic review, testing and audit of processes and controls, your company ensures that they are working as expected. Independent audit is undertaken in different areas as per the annual audit plan to identify areas of improvement. Internal controls ensure the efficient conduct of its business, including adherence to Company policies, safeguarding of its assets, prevention and detection of errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information.

**Policies**

Company has adopted policies as required under the provisions of the Companies Act, 2013 and voluntarily adopted policies applicable to the listed companies and uploaded on the website of the Company.

All such policies are available at the company's website at www.prasolchem.com and reviewed /updated periodically as and when needed to comply with the amendments, if any, in the said provisions.

**Risk Management Policy and Compliance Framework**

The Company has a Risk Management Policy consistent with the provisions of the Companies Act, 2013 in the areas of risk identification, assessment, monitoring and mitigation and reporting. The major risks forming part of the Enterprise Risk Management process are also aligned with the audit universe, to the extent seen appropriate/ relevant.

**Secretarial Standards**

Your Company has complied with applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Government of India under section 118 (10) of the Companies Act, 2013. Thus the Company hereby confirms Compliance with the applicable requirements of Secretarial Standards 1 and 2.

**Corporate Social Responsibility (CSR)**

In compliance with the requirements of Section 135 of the Companies Act, 2013 read with the applicable rules made there under, the Company has duly constituted/re-constituted CSR Committee. The details of the Committee members are provided in the Corporate Governance Report of the Company, which forms part of the Annual Report.

**CSR Policy**

CSR Policy is available at the website of the Company at www.prasolchem.com

**CSR amount spent during the financial year 2025 -26**

As per the statutory obligation, Company is required to spend ₹ 1,06,45,125 (Rupees One Crore Six Lacs Forty Five Thousand One Hundred Twenty Five Only) towards CSR activities in the financial year 2025 -26.

During the financial year 2025 -26, your Company has spent the amount of ₹ 1,06,97,495 (Rupees One Crore Six Lacs Ninety Seven Thousand Four Hundred Ninety Five Only). Excess amount of ₹ 52,370 (Rupees Fifty Two Thousand Three Hundred Seventy Only) spent towards CSR will be carried forward and set off against the required 2% CSR expenditure up to the immediately succeeding three financial years subject to compliance with the conditions stipulated under rule 7(3) of the Companies (CSR Policy) Rules, 2014.

The Annual Report on CSR Activities undertaken by the Company during the financial year 2025-26, is annexed in **Annexure C** which forms part of this Report.

**Whistle Blower/Vigil Mechanism**

Pursuant to the provisions of Section 177 (9) of the Companies Act, 2013 read with the rules framed thereunder and Regulation 22 of the SEBI (Listing Obligation and Disclosure Requirement), Regulation 2015, as amended, the Company has adopted Whistle Blower and Vigil mechanism policy, same available at the Company's website at www.prasolchem.com.

The vigil mechanism has been constituted for the directors and employees to report their genuine concerns or grievances about unethical behaviors, actual or suspected fraud or violation of the Company's code of conduct and to provide adequate safeguards against victimization of directors or employees or any other person who avail the mechanism. The policy displays the name and E-mail ID of Chairman of the Audit Committee to address appropriate or exceptional cases. During the financial year 2025-26, no instance under the Whistle Blower Policy has been reported.

**Board Committees**

The Company has the following committees of the Board of Directors and details pertaining to committees are mentioned in the Corporate Governance Report, which forms part of this Annual Report.

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholder Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee
- Sustainability Committee
- Administrative Committee of the Board
- Initial Public Offer (IPO) Committee

**Reporting of Frauds by Auditors**

There were no frauds reported by the Statutory Auditors of the Company under the provisions of Section 143(12) of the Companies Act 2013 and the Rules made thereunder.

**Annual Return**

In compliance with the provisions of Section 134 and 92 of the Companies Act, 2013, the Company has placed a copy of the Annual Return as on March 31, 2026 on its website at https://prasolchem.com/investor-relations/

**Disclosure Relating to Equity Shares with Differential Rights**

The Company has not issued any equity shares with differential rights during the year under review.

**Disclosure Relating to Sweat Equity Shares**

The Company has not issued any sweat equity shares during the year under review.

**Disclosure Relating to Employees Stock Option Scheme and Employees Stock Purchase Scheme**

The Company does not have any Employee Stock Option Scheme or Employee Stock Purchase Scheme.

**Details of Application made or any proceedings pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their Status at the end of the Financial Year**

During the period under review, no application has been made or any proceeding pending under the Insolvency and Bankruptcy Code against the Company.

**The Requirement to Disclose the Details of any difference between the Valuation done at the time of a one-time Settlement and the Valuation done while taking Loan from Banks or Financial Institutions, along with Reasons thereof**

During the year under review, the Company has not entered into any One-Time Settlement with any Bank or Financial Institution.

**Material Changes and Commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Financial Statement relates and the date of the Report**

There were no material changes and commitments affecting the financial position of your Company occurred between the end of the financial year to which this report relates to and the date of this report.

**Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

Your Company treats its employees equally, with dignity and with no gender bias. The Company's Policy provides for protection against sexual harassment of women at workplace and for prevention and redressal of such complaints. The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder. Your company has constituted an Internal Complaints Committee and it redresses the complaints received on sexual harassment.

| Particulars | Number |
|---|---|
| Number of complaints pending as on the beginning of the financial year (01/04/2025) | 0 |
| Number of complaints filed during the financial year | 0 |
| Number of complaints pending as at the end of the financial year (31/03/2026) | 0 |

**Compliances with Maternity Benefit Act, 1961**

During the year under review, the Company has complied with the provisions of the Maternity Benefit Act, 1961, as amended from time to time, and extended maternity benefits to all eligible employees in accordance with the applicable laws and the Company's policies.

**Conservation of Energy &Technology Absorption**

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is provided as an **Annexure D** attached to this report.

**Corporate Governance and Management Discussion and Analysis Report**

The Company is committed towards maintaining the best standards of Corporate Governance and voluntarily adhering to the Corporate Governance requirements as set out by Securities and Exchange Board of India. The Report on Corporate Governance as stipulated under Regulation 34 (3) and Part C of Schedule V of the SEBI (Listing Obligation and Disclosure Requirement), Regulation 2015, as amended, forms part of the Annual Report.

The Management Discussion and Analysis Report for the financial year 2025-26, as stipulated under Regulation 34(3) and Part B of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report.

**Green Initiative**

We request all the shareholders to support the 'Green Initiative' of the Ministry of Corporate Affairs and the Company's continuous effort towards greener environment by enabling the service of the Annual Report, General Meeting Notice and other documents electronically at your email address registered with your Depository Participant/ Registrar and Share Transfer Agent.

We request all the members whose email id is not registered to take necessary steps to register their email id with the Depository Participant/ Registrar and Share Transfer Agent.

**Director's Responsibility Statement**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

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

b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of the profit of the Company for that period;

c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The Directors had prepared the annual accounts on a going concern basis;

e) That the Directors had laid down Internal Financial Controls to be followed by your Company and that such Internal Financial Controls are adequate and were operating effectively; and

f) The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

**Statement of Board of Directors**

The Board of Directors of the Company are of the opinion that all the Independent Directors of the Company possess the highest standard of integrity, relevant expertise and experience required to serve in the best interest of the Company.

**Acknowledgements**

Your Directors wish to express sincere thanks for the continuous support from customers, suppliers, banks, creditors, rating agencies, stock exchange etc. without which your Company's achievements would not have been possible.

The Board of Directors wish to place on record its deep sense of appreciation for the continued and committed services by all the employees of the Company which has resulted in organisation's growth and success.

Your Company wish to place on record sincere thanks to the shareholders for the confidence reposed by them in the Company and also wish to place on record their sincere appreciation for the continued support, and cooperation received from the Government, Regulatory & Statutory bodies.

**By order of the Board of Directors**
**For Prasol Chemicals Limited**
**CIN U99999MH1992PLC065026**

**Nishith Shah**
**Chairman & Whole-time Director**
**DIN 00381267**

**Dhaval Parikh**
**Joint Managing Director**
**DIN 01636199**

**Date: June 15, 2026**

## Annexure A

### Particulars of Employees and Managerial Remuneration

Particulars of Employees pursuant to Section 197(12) of the Companies Act, 2013 Read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Disclosure with respect to the remuneration of Directors and Employees as required under Section 197 of the Companies Act, 2013 and Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, are as follows:

(a) Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year (FY):

| Names of Directors | Designation | Ratio of the remuneration of directors to median remuneration of the employees |
|---|---|---|
| Mr. Nishith Shah | Chairman and Whole time Director | 69.65 |
| Mr. Gaurang Parikh | Managing Director | 49.24 |
| Mr. Dhaval Parikh | Joint Managing Director | 37.25 |
| Mr. Pankil Dharia | Whole-time Director – Strategy and Business Development | 23.61 |
| *Mr. Rakesh Jadhav | Whole-time Director – EHS, Governance & Business Process | 6.89 |
| Prof.(Ms) Lakshmi Kantam M. | Non-Executive Independent Director | -- |
| Mr. G. Ramakrishnan | Non-Executive Independent Director | -- |
| Mr. Srinivasan S. | Non-Executive Independent Director | -- |
| Mr. Ajay Jain | Non-Executive Independent Director | -- |
| *Mr. Narayanan Nair | Non-Executive Independent Director | -- |
| Mr. Rahul Shroff | Chief Financial Officer & Finance Director | 12.13 |
| Ms. Kiran Agrawal | Company Secretary | 2.43 |

* Mr. Rakesh Jadhav, Whole-time Director – EHS, Governance & Business Process and Mr. Narayanan Nair, Independent Director, appointed with effect from June 18, 2025.

No commission was declared and paid to Independent Directors in the FY 2025 – 26. However, ex-gratia paid to Directors and KMP is as under:-

| Name of the Directors / KMP | Designation | Ex-gratia in ₹ |
|---|---|---|
| Nishith Shah | Chairman and Whole time Director | 1,64,21,053 |
| Gaurang Parikh | Managing Director | 1,15,78,947 |
| Dhaval Parikh | Joint Managing Director | 87,36,842 |
| Pankil Dharia | Whole-time Director – Strategy and Business Development | 52,63,158 |
| Rahul Shroff | Chief Financial Officer & Finance Director | 20,00,000 |
| Rakesh Jadhav | Whole-time Director – EHS, Governance & Business Process | Nil |
| Kiran Agrawal | Company Secretary | Nil |

(b) Percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year 2025-26:

| Names of Directors/ Chief Financial Officer/ Company Secretary | Designation | % increase in remuneration in financial year |
|---|---|---|
| Mr. Nishith Shah | Chairman and Whole-time Director | 10% |
| Mr. Gaurang Parikh | Managing Director | 10% |
| Mr. Dhaval Parikh | Joint Managing Director | 10% |
| Mr. Pankil Dharia | Whole-time Director -Strategy and Business Development | 10% |
| *Mr. Rakesh Jadhav | Whole-time Director – EHS, Governance & Business Process | Nil |

| Names of Directors/ Chief Financial Officer/ Company Secretary | Designation | % increase in remuneration in financial year |
|---|---|---|
| Prof. (Ms) Lakshmi Kantam M. | Non-Executive Independent Director | - |
| Mr. G. Ramakrishnan | Non-Executive Independent Director | - |
| Mr. Srinivasan S. | Non-Executive Independent Director | - |
| Mr. Ajay Jain | Non-Executive Independent Director | - |
| *Mr. Narayanan Nair | Non-Executive Independent Director | -- |
| Mr. Rahul Shroff | Chief Financial Officer & Finance Director | 10% |
| Ms.Kiran Agrawal | Company Secretary | 8% |

* Mr. Rakesh Jadhav, Whole-time Director – EHS, Governance & Business Process and Mr. Narayanan Nair, Independent Director, appointed with effect from June 18, 2025.

No commission was declared and paid to Independent Directors in the FY 2025 – 26.

(c) Percentage increase in the median remuneration of employees in the financial year: 16.13%

(d) Number of permanent employees on the rolls of Company: 724

(e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

During the financial year, an average increase in salaries of employees was 8% and average increase in managerial salaries was 10%.

(f) Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company assures that the remuneration is as per the Nomination cum Remuneration Policy of the Company.

## Annexure B

**FORM NO. MR.3**

**SECRETARIAL AUDIT REPORT**

For the Financial Year Ended 31st March, 2026

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

To,

The Members,

**PRASOL CHEMICALS LIMITED**

**Add:** Prasol House, Plot No A - 17/2/3,

T. T. C. Industrial Area, Khairne M.I.D.C.,

Thane, Navi Mumbai-400710, Maharashtra, India.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Prasol Chemicals Limited** (hereinafter called the "**Company"**). The 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.

**Auditor's Responsibility:**

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards require that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

**Unmodified Opinion:**

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 the information provided by the Company, its officers, agents and authorized representatives during the conduct of the 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 ('**Audit Period**') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

(i) The Companies Act, 2013 **('the Act'**) and the rules made thereunder;

(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 **('FEMA')**, and the rules and regulations made thereunder to the extent of External Commercial Borrowings**,** Foreign Direct Investment, and Overseas Direct Investment **(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'**):

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(Not Applicable to the Company during the audit period);**

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

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **('SEBI (ICDR) Regulations, 2018');**

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(Not Applicable to the Company during the audit period)**;

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not applicable to the Company during the audit period);**

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

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not Applicable to the Company during the audit period)** and;

(h) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not Applicable to the Company during the audit period);**

**(vi) 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 the test-check basis, the Company has complied, to the extent applicable, with the following laws applicable specifically to the Company:

1. Environment (Protection) Act, 1986, and Environment Impact Assessment Notification, 2006.
2. Water (Prevention and Control of Pollution) Act, 1974.
3. Air (Prevention and Control of Pollution) Act, 1981.
4. Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016.
5. Manufacture, Storage and Import of Hazardous Chemicals (MSIHC) Rules, 1989.
6. Chemical Accidents (Emergency Planning, Preparedness and Response) Rules, 1996.
7. Factories Act, 1948.
8. Occupational Safety, Health and Working Conditions Code, 2020.
9. Explosives Act, 1884 & Explosives Rules ,2008.
10. Petroleum Act, 1934 & Petroleum Rules, 2002.
11. Static and Mobile Pressure Vessels (Unfired) Rules, 2016.
12. Gas Cylinder Rules, 2016.
13. National Building Code (NBC), 2016.
14. Plastic Waste Management Rules, 2016.
15. Legal Metrology Act, 2009.
16. Foreign Trade (Development and Regulation) Act, 1992.
17. Employees' State Insurance Act, 1948.
18. Employees' Provident Fund Act, 1952.
19. Payment of Wages Act, 1936.
20. Contract Labour (Regulation & Abolition) Act, 1970.
21. Material Safety Data Sheets (MSDS).
22. REACH/ GHS (India Context).
23. Chemical (Management and Safety) Rules 2021/ Boilers Act, 1923.
24. The Arms Act, 1959.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India **('ICSI')**;

(ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(Not Applicable to the Company during the audit period);**

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

**We further report that:**

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

Adequate notice is given to all directors to schedule the Board Meetings and agenda items were generally sent in advance (except where meetings convened at shorter notice for which necessary approvals were obtained as per applicable provisions) and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions passed at the meetings of the Board of Directors and its Committees were in compliance with the provisions of the Companies Act, 2013, and the applicable Secretarial Standards. Further, the same has been recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

**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** the following are the material events that occurred during the Audit Period:

a) The Board of Directors at its meeting held on February 21, 2025, resolved to alter the Company's Memorandum of Association and Articles of Association to align with the applicable regulatory framework and facilitate the proposed public offering. Such alteration was subsequently approved by the Shareholders in its Extraordinary General Meeting (EGM) held on June 18, 2025;

b) The Board of Directors, at its meeting held on February 21, 2025, approved the raising of capital through an Initial Public Offering (IPO), which was subsequently approved by the shareholders at the Extraordinary General Meeting (EGM) held on June 18, 2025. The offering aggregates to a total issue size upto ₹5,000 million, comprising a fresh issue of equity shares (face value of ₹2/- each) aggregating up to ₹800 million (including Pre-IPO Placement, if any) and an Offer for Sale (OFS) by eligible Selling Shareholders aggregating up to ₹4,200 million;

c) Consequent to its acquisition of Prasol Aromatics Private Limited ('PAPL'), a wholly owned subsidiary effective from January 24, 2025, had no active business operations. The Company subsequently filed a strike-off application for PAPL with the Registrar of Companies ('ROC') on April 28, 2025. The ROC officially struck off the name of the company on July 22, 2025, which was formally communicated by the MCA via email dated July 23, 2025;

d) The Board of Directors approved and adopted the Draft Red Herring Prospectus (DRHP) at its meeting held on October 14, 2025. Subsequently, the DRHP was filed with SEBI on October 15, 2025, for the Company's proposed Initial Public Offering (IPO), which comprises both a fresh issue of shares and an offer for sale (OFS);

e) In connection with the Company's proposed Initial Public Offering (IPO), the Company received in-principle approvals from the Stock Exchanges namely BSE Limited ('BSE') and the National Stock Exchange of India Limited ('NSE') on December 12, 2025 with respect to Listing Procedure pursuant to SEBI (ICDR) Regulations, 2018.

**For AVS & Associates**
**Company Secretaries**

**Shashank Ghaisas**
**Partner**
**Membership No: F11782**
**CP No: 16893**
**Peer Review No: 1451/2021**
**UDIN: F011782H000630257**

**Place: Navi Mumbai**
**Date: June 15, 2026**

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

## 'Annexure – I'

To,
The Members,
**PRASOL CHEMICALS LIMITED**
**Add:** Prasol House, Plot No A - 17/2/3,
T. T. C. Industrial Area, Khairne M.I.D.C.,
Thane, Navi Mumbai-400710, Maharashtra, India.

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

1. Maintenance of secretarial and other records under applicable laws is the responsibility of the management of the Company. Our responsibility is to issue a Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where required.
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 a test-check 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 the financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations, and major events during the audit period.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, and standards is the responsibility of Management. Our examination was limited to the verification of procedures on test check basis for the purpose of issuing the Secretarial Audit Report.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For AVS & Associates**
**Company Secretaries**

**Shashank Ghaisas**
**Partner**
**Membership No: F11782**
**CP No: 16893**
**Peer Review No: 1451/2021**
**UDIN: F011782H000630257**

**Place: Navi Mumbai**
**Date: June 15, 2026**

## ANNEXURE C

### REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. **Brief outline on the Company's CSR policy**:

   The CSR philosophy of the Company is to extend support to the underprivileged through rural development projects, healthcare programmes, education assistance, and environmental sustainable actions such as tree plantation and maintaining a zero-discharge facility. The Company is also focusing on various initiatives for empowering women belonging to the poor segment of the society. The scope of CSR Policy is to lay down the guiding principles in undertaking various programs and projects by or on behalf of the Company relating to Corporate Social Responsibility ("CSR") within the meaning of section 135 of the Companies Act, 2013 read with Schedule VII of the Act and the CSR Policy Rules 2014 ("Rules").

2. **Composition of CSR Committee:**

| Sr. No. | Name of Director | Position in the Committee | Designation/Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---|---|---|---|---|---|
| 1. | Prof. (Ms) Lakshmi Kantam M. | Chairperson | Independent Director | 1 | 1 |
| 2. | Mr. Nishith Shah | Member | Executive Director | | 1 |
| 3. | Mr. Gaurang Parikh | Member | Executive Director | | 1 |

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:**

   Details with respect to composition of CSR committee, CSR Policy and CSR projects approved by the Board of Directors are available at www.prasolchem.com

4. **Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:** Not applicable

5. (a) **Average net profit of the company as per sub-section (5) of section 135 :** ₹ 532.26 mn

   (b) **Two percent of average net profit of the company as per sub-section (5) of section 135:** ₹ 10.65 mn

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

   (d) **Amount required being set-off for the financial year, if any:** Nil

   (e) **Total CSR obligation for the financial year [(b)+(c)-(d)] :** ₹ 10.65 mn

6. (a) **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) :** ₹ 10.20 mn

   (b) **Amount spent in Administrative Overheads** : ₹ 0.50 mn

   (c) **Amount spent on Impact Assessment, if applicable:** NA

   (d) **Total amount spent for the Financial Year [(a)+(b)+(c)]:** ₹ 10.70 mn

   (e) **CSR amount spent or unspent for the Financial Year:** Nil

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

**(₹ in Million)**

| Sr. No. | Particulars | Amount |
|---|---|---|
| 1 | Two percent of average net profit of the Company as per section 135(5) | 10.65 mn |
| 2 | Total amount spent for the Financial Year | 10.70 mn |
| *3 | Excess amount spent for the Financial Year [(2)-(1)] | 0.05 mn |
| 4 | Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any | - |
| *5 | Amount available for set off in succeeding Financial Years [(3) – (4)] | 0.05 mn |

* Excess amount spent in the Financial Year 2025 -26 and amount available for set-off in the succeeding financial year ₹ **52, 370.**

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

**(₹ in Million)**

| Sr. No. | Preceding Financial Year | Amount transferred to Unspent CSR Account under Section 135(6) | Balance Amount in Unspent CSR Account under subsection (6) of section 135 | Amount spent in the Financial Year | Amount transferred to a fund as specified under Schedule VII as per second proviso to Section 135(5), if any | | Amount remaining to be spent in succeeding financial years | Deficiency if any |
|---|---|---|---|---|---|---|---|---|
| | | | | | Amount | Date of transfer | | |
| 1 | 2023-24 | - | - | - | - | - | - | - |
| 2 | 2024-25 | - | - | - | - | - | - | - |
| 3 | 2025-26 | - | - | - | - | - | - | - |

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

Yes ☐ No ☑

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

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

| Sl. No. | Short particulars of the property or asset(s) [including complete address and location of the property] | Pincode of the property or asset(s) | Date of creation | Amount of CSR amount spent | Details of entity/ Authority/ beneficiary of the registered owner | | |
|---|---|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) | | |
| | | | | | CSR Registration Number, if applicable | Name | Registered address |
| - | - | - | - | - | - | - | - |

(All the fields should be captured as appearing in the revenue record, flat no., house no., Municipal Office/ Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. **Specify the reason, if the Company has failed to spend two per cent of the average net profit as per section 135(5):** NIL

**For and on behalf of the Board of Directors of**
**Prasol Chemicals Limited**
**CIN U99999MH1992PLC065026**

**Lakshmi Kantam M.**
**Chairperson – CSR Committee**
**DIN 07831607**

**Nishith Shah**
**Chairman & Whole-time Director**
**DIN 00381267**

**Place: Navi Mumbai**
**Date: June 15, 2026**

## ANNEXURE- D

The conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

| | |
|---|---|
| **(A) CONSERVATION OF ENERGY: -** | |
| All business continued their efforts to improve energy usage efficiencies and increase the share of renewable energy. Energy costs and renewable energy contributions were continuously tracked to monitor alignment with company's overall sustainability approach. | |
| **(i) the steps taken or impact on conservation of energy** | • Process optimization and capacity enhancement initiatives implemented to reduce specific energy consumption.<br>• Installation of energy-efficient equipment (pumps, vacuum systems, distillation units).<br>• Automation through DCS/PLC to optimize utility usage.<br>• Improved insulation and reduction of heat losses.<br>**Impact:** Reduced energy consumption per unit production and improved operational efficiency |
| **(ii) the steps taken by the company for utilizing alternate sources of energy** | • Evaluation and partial integration of energy-efficient systems and equipment (e.g., high-efficiency motors and pumps).<br>• Exploration of waste heat recovery opportunities from process streams and distillation systems.<br>• Consideration of renewable energy sources (such as solar power) for auxiliary utilities and non-process loads.<br>• Reduction in dependency on conventional energy through process intensification (e.g. flow chemistry initiatives under evaluation). |
| **(iii) the capital investment on energy conservation equipment** | Investment in:<br>• Energy-efficient pumps and motors<br>• Advanced automation systems (DCS panels)<br>• Vacuum systems and optimized distillation setups<br>• Capital expenditure incurred as part of plant expansion and modernization projects (SS3 / 100 TPM project) includes energy-efficient design considerations.<br>• Continuous investments are being made in utility optimization and upgraded equipment to reduce long-term operating costs. |
| **(B) TECHNOLOGY ABSORPTION: -** | |
| **(i) the Efforts made towards technology absorption** | • Installation and commissioning of new process equipment and systems such as:<br>• Distillation columns<br>• Advanced filtration/drying systems<br>• Vacuum and ejector systems<br>• Adoption of automation and digital control systems for improved process control and monitoring.<br>• Continuous interaction with vendors and technology providers for equipment design, modification (e.g., ejector nozzle improvements), and performance enhancement.<br>• Implementation of pilot trials and process improvements for scaling up production (e.g., 100 TPM project).<br>• Strengthening in-house capabilities through engineering design, P&ID updates, and process optimization activities. |

| | |
|---|---|
| **(ii) the Benefits derived like product improvement, cost reduction, product development or import substitution** | • Product improvement: Better quality consistency due to controlled processing conditions<br>• Cost reduction: Lower utility consumption and reduced manpower dependency<br>• Product development: Capability to handle higher capacities and new process routes<br>• Import substitution: Increased in-house process capability reduces dependency on external technologies and imports<br>• Operational efficiency: Faster batch cycles and improved throughput |
| **(i) in case of imported technology (imported during the last three years)** reckoned from the beginning of the financial year | • Imported a continuous process plant with high productivity and integrated heat recovery system<br>• Achieved improved energy efficiency and process performance through heat integration<br>• Imported a compressor for an upcoming project<br>• Planned utilization of process by-products as raw materials in another process<br>• Supports resource optimization and cost reduction |

**(C) Foreign Exchange Earning(s) And Outgo (₹ In Million): -**

| Particulars | 2025-26 | 2024-25 |
|---|---|---|
| Foreign Exchange Inflow | 3,031.44 | 2741.89 |
| Foreign Exchange Outflow | 5,839.01 | 5266.10 |

**By order of the Board of Directors**
**For Prasol Chemicals Limited**
**CIN U99999MH1992PLC065026**

**Nishith Shah**
**Chairman & Whole-time Director**
**DIN 00381267**

**Dhaval Parikh**
**Joint Managing Director**
**DIN 01636199**

**Place: Navi Mumbai**

**Date: June 15, 2026**

# CORPORATE GOVERNANCE REPORT

## 1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company's philosophy on corporate governance is to conduct its business in the most efficient, responsible, honest, transparent and ethical manner while striving for continuous improvement in performance by adhering to good corporate governance practices.

The Company firmly believes that sound corporate practices based on transparency, accountability and high level of integrity is essential in the functioning of the Company. These principles guide the Company's operations and decision-making processes at all levels.

Your company focuses on long term shareholder value creation through appropriate decision making. It upholds the highest standards of corporate ethics and transparency in all its dealings, fostering trust and confidence among shareholders, employees, customers, business partners, and other stakeholders.

As on the date of this report, your company is an unlisted public company.

Your Company has voluntarily implemented the Corporate Governance reflecting its commitment to good governance and stakeholder value creation.

## 2. BOARD OF DIRECTORS (Board)

### a) Composition of Board of Directors

- The Board is constituted in compliance with the provisions of the Companies Act, 2013 (The Act), as amended. As on the date of this report, the Board consists of ten Directors, out of which, four executive directors are promoter directors and one non promoter director and five Non-Executive Independent Directors out of which one is Independent Woman Director.
- Nominee Director or Institutional Directors are not appointed in the Company.
- None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serve as an independent director on more than seven listed entities. Necessary disclosures regarding their Committee positions, if any, in other public companies as on date have been made by all the Directors. No Director of the Company is either member in more than 10 (Ten) committees and/or Chairman of more than 5 (Five) committees across all Companies in which he or she is a Director.

**b) Details of attendance of each Director at the meeting of the Board of Directors and the last Annual General Meeting**

The details of Board Meeting and last Annual General Meeting attended by the Board members are given herein below:

| S. No. | Name | Category of Director - Executive Director (ED) Non-Executive Director (NED), Independent Director (ID) | Total Board Meeting Held During the tenure of the Director | No.of Board Meetings attended during the year | Attendance at AGM held on September 17, 2025 | **No. of Directorships in other public limited Companies | ***No.of Committee positions held in other public limited Companies Chairmanship (C) / Membership (M) | Names of the listed entities where the person is a Director and the category of Directorship |
|---|---|---|---|---|---|---|---|---|
| 1 | Nishith Shah | ED | 6 | 6 | Yes | - | - | - |
| 2 | Gaurang Parikh | ED | 6 | 4 | No | - | - | - |
| 3 | Dhaval Parikh | ED | 6 | 5 | Yes | - | - | - |
| 4 | Pankil Dharia | ED | 6 | 6 | Yes | - | - | - |
| 5 | Rakesh Shivaji Jadhav (Appointed w.e.f. June 18, 2025) | ED | 6 | 2 | No | - | - | - |
| 6 | Lakshmi Kantam M. | ID | 6 | 5 | Yes | 3 | M=2, C=1 | a. NACL Industries Limited<br>b. Vinati Organics Limited<br>c. Godavari Bio-refineries Limited |
| 7 | Srinivasan S. | ID | 6 | 5 | Yes | - | M= Nil , C=Nil | Nil |
| 8 | G. Ramakrishnan | ID | 6 | 5 | No | 1 | M=1, C=1 | Galaxy Surfactants Limited |
| 9 | Ajay Jain | ID | 6 | 6 | Yes | - | M=Nil<br>C=Nil | Nil |
| 10 | Narayanan Pulukhool Nair (Appointed w.e.f. June 18, 2025) | ID | 6 | 6 | Yes | - | - | - |

** Directorship only of Indian public limited company is considered.

***Audit Committee and Stakeholder Relationship Committee are considered for the purpose.

**c) Number of Board Meetings held and dates on which held**

- During the year under review, total **6(Six)** Board Meetings were held. The time gap between the two meetings was not more than 120 days.
- The Board met on following occasions as follows :

  (i) 18.06.2025 (ii) 14.08.2025 (iii) 17.09.2025 (iv) 14.10.2025 (v) 02.02.2026 (vi) 27.03.2026.

**d) Disclosure of Relationships between Directors Inter-se:**

None of the Directors are related to each other within the meaning of "relative" under Section 2(77) of the Companies Act, 2013.

**e) Number of shares and convertible instruments held by Non-executive Directors as on March 31, 2026**

None of the Non-executive and / or Independent Director(s) are holding any shares as on March 31, 2026 except as stated in Annexure I of the Annual Report.

**f) Familiarization program imparted to Independent Directors in the FY 2025-26**

The Company has issued appointment letter to the Independent Directors setting out in detail, the terms of appointment, roles and responsibilities, duties, professional conduct and confidentiality of the information.

During the year under review, Company has been familiarizing Independent Directors (IDs) on a quarterly basis at the Board and Committee meetings.

The IDs are provided with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Board and committee meetings on business and performance updates of the Company including finance, sales, major business segments such as Environment, Health & Safety, overview of business operations, global business environment, business strategy and risks involved.

Details of familiarization program imparted to IDs will be uploaded in the Company's website post listing on the Stock Exchanges.

**g) Code of Conduct**

The Company has adopted the Code of Conduct for its Directors and Senior Management, which is available on the website of the Company.

The Company has also adopted the Code Conduct for Regulating, Monitoring and Reporting of Trading by Insiders and Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information (UPSI) pursuant to Regulation 8(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 which is available on the Company's website.

**h) Competencies/skills/expertise for the effective functioning of the Company**

As required by the Listing Regulations, Skills / Expertise / Competencies that are identified and available within the Board of the Company for effective and smooth functioning of the Company are given below:

| Sr. No. | Name of Director(s) | Skill/Expertise/Competency |
|---|---|---|
| 1 | Mr. Nishith Shah | Leadership/Operational experience, Chemical industry, Strategic Planning, Risk Management, Stakeholder Relations, Finance, Management & Administration, HR & People Management |
| 2 | Mr. Gaurang Parikh | Leadership/Operational experience, Chemical industry, Strategic Planning/ Business Planning/Purchase |
| 3 | Mr. Dhaval Parikh | Leadership, Chemical industry, Strategic Planning, Business Development, Sales & Marketing, Factory Debottlenecking for productivity |
| 4 | Mr. Pankil Dharia | Leadership/Operational experience, Chemical industry, Strategy Planning, Business Development, Sales & Marketing |
| $5 | Mr. Rakesh Shivaji Jadhav | Control objectives of Information & Related technologies, Business Process improvements in the areas of Strategy & Governance, Human Resources, Infrastructure & Operations, Security & Risk, App Management, Data & BI, PPM, System Analysis and design |

| Sr. No. | Name of Director(s) | Skill/Expertise/Competency |
|---|---|---|
| 6 | Prof. (Ms.) Lakshmi Kantam M. | Catalysis, R & D, Cost Control, New Product/innovation, Industry expert, Knowledge of Company's Business |
| 7 | Mr. Srinivasan S. | Funding, Re-structuring, Investment Advisory, Project Management, Costing, Accounting, Audit, Compliances, Legal & Secretarial, Knowledge of Company's Business |
| 8 | Mr. G. Ramakrishnan | Sales & Marketing, Personal & home care, innovation, Risk Management, Legal & Secretarial, Management & Administration, Finance, Information Technology & System, Knowledge of Company's Business |
| 9 | Mr. Ajay Jain | Project Management, Operation, Supply Chain & Distribution, Manpower, Marketing, Production, Knowledge of Company's Business |
| #10 | Mr. Narayanan Pulukhool Nair | Purchase, Supply-Chain, International Marketing & Sales of Agro Chemicals and other Commercial activities |

**# Mr. Narayanan Pulukhool Nair was appointed as an Additional Director (Non-Executive Independent Director) w.e.f. June 18, 2025 and his appointment was regularized by the members at the Annual General Meeting held on September 17, 2025.**

**$ Mr. Rakesh Shivaji Jadhav was appointed as an Additional Director (Whole-time Director – EHS, Governance & Business Process) w.e.f. June 18, 2025 and his appointment was regularized by the members at the Annual General Meeting held on September 17, 2025.**

i) **Independent Directors fulfil the conditions specified in these regulations and are independent of the management**

The Company has received a declaration from each of the Independent Directors confirming compliance with the criteria of independence as laid down under this regulation as well as Section 149 (6) of the Act and rules made thereunder.

As on the date of this report, the Board confirms that the Independent Directors of the Company fulfil the conditions specified in SEBI LODR Regulations, 2015 and the Companies Act, 2013 and are independent of the management.

j) **Re-appointment of Director retiring by rotation at the Annual General Meeting**

Pursuant to the applicable provisions of the Companies Act, 2013, Mr. Dhaval Parikh (DIN: 01636199), Director, retires by rotation at the ensuing Annual General Meeting of the Company and being eligible, he offers himself for re-appointment.

**Brief Profile**

Mr. Dhaval Parikh has been the Joint Managing Director of the Company since February 1, 2022.

He holds a Bachelor's Degree in Technology (Polymer Technology) from Institute of Chemical Technology, from University of Mumbai, and a Master's of Science in Engineering (Plastics Engineering) from University of Massachusetts, Lowell, USA.

Prior to joining Company, he was associated with GE Plastics, USA and holds 18 years of experience in the Chemical industry. He has been associated with the Company as a Director since May 31, 2007.

Disclosure as required pursuant to the Secretarial Standards 2 and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is provided in Annexure II of the Annual Report:

k) **Detailed Reason for Resignation of an Independent Director who resigns before expiry of his/her tenure along with a confirmation by such Director that there are no other material reasons other than those provided**

During the year under review, none of the Independent Director(s) has resigned before the expiry of his/her tenure.

3. **Committees of the Board of Directors**

I. **Audit Committee**

a) **Brief Description of Terms of Reference**

1. To oversee the financial reporting process;

2. To review financial results and related information and disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;
3. To approve or modify any related party transactions, to review internal financial controls and risk management system;
4. To formulate policy on related party transactions, which shall include materiality of related party transactions;
5. To review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
6. To recommend appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
7. To review and evaluate with the management performance of statutory and internal auditors, effectiveness of audit process and adequacy of the internal control systems;
8. To review and monitor the statutory auditor's independence and performance, and effectiveness of audit process;
9. Approval of payment to statutory auditors for any other services rendered by the statutory auditors of the Company;
10. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
    (i) Matters required to be included in the Director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act as amended from time to time;
    (ii) Changes, if any, in accounting policies and practices and reasons for the same;
    (iii) Major accounting entries involving estimates based on the exercise of judgment by management;
    (iv) Significant adjustments made in the financial statements arising out of audit findings;
    (v) Compliance with listing and other legal requirements relating to financial statements;
    (vi) Disclosure of any related party transactions; and
    (vii) Modified opinion(s) in the draft audit report.
11. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
12. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, or preferential issue or qualified institutions placement and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;
13. Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;
14. To set out criteria for granting omnibus approval in line with the Company's policy on related party transactions and such approval shall be applicable in respect of transactions which are repetitive in nature;
15. Scrutinising of inter-corporate loans and investments;
16. Valuation of undertakings or assets of the Company, wherever it is necessary;
17. Evaluation of internal financial controls and risk management systems;
18. Overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;

19. Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
20. Discussing with internal auditors on any significant findings and follow up thereon;
21. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
22. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
23. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
24. Reviewing the functioning of the whistle blower mechanism;
25. Approving the appointment of the Chief Financial Officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
26. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and/or specified/provided under the Companies Act, the SEBI Listing Regulations, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or by any other regulatory authority.
27. Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as per applicable law.
28. Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.
29. Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services.
30. Approving the key performance indicators for disclosure in the offer documents.
31. To ensure that an Information System Audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the Company.
32. To review compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, at least once in a financial year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively.

**b) Composition, Name of Members and Chairman**

The Company has complied with the provisions of section 177 of the Act and Regulation 18(1) of SEBI (LODR) Regulations 2015 applicable to the Audit Committee. All the members of the Audit Committee are financially literate and comprises of following members:

| Name of Director | Designation in the Committee | Category |
|---|---|---|
| Mr. Srinivasan S. | Chairman | Independent Director |
| Mr. G. Ramakrishnan | Member | Independent Director |
| Mr. Ajay Jain | Member | Independent Director |

**c) Meeting and Attendance during the year**

The Audit Committee met six (6) times during the year and the following table gives the details of members and their attendance in Audit Committee meetings held during the year ended March 31, 2026.

| Sr. No | Name of the Director | 18.06.2025 | 14.08.2025 | 17.09.2025 | 14.10.2025 | 02.02.2026 | 27.03.2026 |
|---|---|---|---|---|---|---|---|
| 1 | Mr. Srinivasan S. | 1 | - | 1 | 1 | 1 | 1 |
| 2 | Mr. G. Ramakrishnan | 1 | 1 | - | 1 | 1 | 1 |
| 3 | Mr. Ajay Jain | 1 | 1 | 1 | 1 | 1 | 1 |

## II. Nomination & Remuneration Committee (NR Committee)

### a) Brief Description of Terms of Reference

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors of the Company (**Board** or **Board of Directors**) a policy relating to the remuneration of the directors, key managerial personnel and other employees (**Remuneration Policy**);
2. The Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that:
    a. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
    b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
    c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
3. formulation of criteria for evaluation of performance of independent directors and the Board;
4. devising a policy on Board diversity;
5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment, promotion and removal and shall specify the manner for effective evaluation of performance of the Board (including the Independent Directors), its committees, and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. The Company shall disclose the Remuneration Policy and the evaluation criteria in its annual report;
6. reviewing and recommending to the Board, manpower plan/ budget and sanction of new senior management positions from time to time in the future;
7. for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge, and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may:
    a. use the services of an external agencies, if required;
    b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
    c. consider the time commitments of the candidates.
8. extending or continuing the term of appointment of the Independent Director, on the basis of the report of performance evaluation of independent directors;
9. evaluation and recommendation of termination of appointment of Directors in accordance with the Board's governance principles for cause or for other appropriate reasons;
10. making recommendations to the Board in relation to the appointment, promotion and removal of the senior management personnel;
11. Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
12. recommending to the Board, all remuneration, in whatever form, payable to senior management, including revisions thereto;
13. perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended, including the following:
    - administering the employee stock option plans of the Company, as may required;

- determining the eligibility of employees to participate under the employee stock option plans of the Company;
- granting options to eligible employees and determining the date of grant;
- determining the number of options to be granted to an employee;
- determining the exercise price under the employee stock option plans of the Company; and
- construing and interpreting the employee stock option plans of the Company and any agreements defining the rights and obligations of the Company and eligible employees under the employee stock option plans of the Company, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the employee stock option plans of the Company.

14. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
15. framing suitable policies and systems to ensure that there is no violation, as amended from time to time, of any securities laws or any other applicable laws in India or overseas, including:
    i. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and
    ii. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended.
16. carrying out any other function as is mandated by the Board from time to time and / or enforced/ mandated by any statutory notification, amendment or modification, as may be applicable;
17. performing such other functions as may be necessary or appropriate for the performance of its duties;
18. periodically reviewing and re-examining the terms of reference and making recommendations to our Board for any proposed changes;
19. authorization to obtain advice, reports or opinions from internal or external counsel and expert advisors;
20. ensuring proper induction program for new directors, key managerial personnel and senior management and reviewing its effectiveness along-with ensuring that on appointment, they receive a formal letter of appointment in accordance with guidelines provided under the Companies Act;
21. developing a succession plan for our Board and senior management and regularly reviewing the plan;
22. ensuring that it proactively maintains a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company;
23. consideration and determination of the Remuneration Policy based on performance and also bearing in mind that the remuneration is reasonable and sufficient to attract, retain and motivate members of the Board and such other factors as the Nomination and Remuneration Committee shall deem appropriate; and
24. perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act to the extent notified and effective, as amended or by the SEBI Listing Regulations or by any other applicable law or regulatory authority.

**b) Composition, Name of Members and Chairman**

The Company has complied with the section 178 of the Act and Regulation 19 of SEBI (LODR) Regulations 2015 applicable to the Nomination and Remuneration Committee ("NRC"). The NRC comprises of following members:

| Name of Director | Designation in the Committee | Category |
|---|---|---|
| Mr. G. Ramakrishnan | Chairman | Independent Director |
| Mr. Srinivasan S. | Member | Independent Director |
| Mr. Ajay Jain | Member | Independent Director |

c) **Meeting and Attendance during the year**

The Nomination and Remuneration Committee met once during the year and the following table gives the details of members and their attendance in Nomination and Remuneration Committee meetings held during the year ended March 31, 2026.

| Name of Director | June 18, 2025 |
|---|---|
| Mr. G.Ramakrishnan | 1 |
| Mr. Srinivasan S. | 1 |
| Mr. Ajay Jain | 1 |

d) **Remuneration of Directors**

i. **Details of Remuneration Paid to the Directors**

Remuneration paid to the Executive Directors in the financial year 2025 -26: **(₹ in million)**

| Name and Designation | Nishith Shah - Chairman & Whole-time Director | Gaurang Parikh - Managing Director | Dhaval Parikh -Joint Managing Director | Pankil Dharia – Whole-time Director – Strategy & Business Development | $Rakesh Jadhav Whole-time Director- EHS, Governance & Business Process |
|---|---|---|---|---|---|
| Salary | 28.42 | 20.09 | 15.20 | 9.63 | 4.50 |
| Commission | -- | -- | -- | -- | -- |
| Perquisites | 0.03 | 0.03 | 0.03 | 0.03 | -- |
| Performance Linked Incentive | 16.42 | 11.58 | 8.74 | 5.26 | -- |
| Bonus | 0.95 | 0.67 | 0.51 | 0.32 | -- |

**$ Mr. Rakesh Shivaji Jadhav was appointed as an Additional Director (Whole-time Director – EHS, Governance & Business Process) w.e.f. June 18, 2025 and his appointment was regularized by the members at the Annual General Meeting held on September 17, 2025.**

ii. The company has not issued any Stock Options either to its Directors or to its Employees.

iii. Sitting fees paid to Independent Directors in the financial year 2025 -26: **(₹ in million)**

| Sr. No. | Name of the Directors | Sitting fees paid |
|---|---|---|
| 1 | Mr. G. Ramakrishnan | 0.43 |
| 2 | Mr. Srinivasan S. | 0.38 |
| 3 | Mr. Ajay Jain | 0.47 |
| #4 | Mr. Narayanan Nair | 0.19 |
| 5 | Prof. (Ms) Lakshmi Kantam M. | 0.25 |

**# Mr. Narayanan Pulukhool Nair was appointed as an Additional Director (Non-Executive Independent Director) w.e.f. June 18, 2025 and his appointment was regularized by the members at the Annual General Meeting held on September 17, 2025.**

iv. Criteria for making payments to non-executive Directors

The Company has formulated and adopted criteria for making payments to Non-Executive Directors, available at the Company's website at www.prasolchem.com

v. Performance Evaluation criteria of Independent Director

The Company has formulated and adopted a policy on evaluation of performance of Directors and the Board/Committee, which covers the criteria for evaluating the performance of Independent Director.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors (excluding the Director being evaluated) on the basis of criteria such as leadership, professional skill, compliance with code of conduct, initiative in terms of new ideas, planning etc.

## III. Stakeholder Relationship Committee (SR Committee)

### a) Brief Description of Terms of Reference

1. considering and specifically looking into various aspects of interests of shareholders, debenture holders and other security holders;
2. resolving the grievances of the security holders of the Company including complaints related to allotment of shares, transfer of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, depository receipt, non-receipt of annual report, balance sheet or profit and loss account, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;
3. review of measures taken for effective exercise of voting rights by shareholders;
4. investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
5. giving effect to all allotment, transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
6. review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;
7. review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and
8. Carrying out such other functions as may be specified by the Board from time to time or specified/ provided under the Companies Act 2013 or SEBI Listing Regulations, or by any other regulatory authority.

### b) Composition, Name of member and Chairman

The Company has complied with the Section 178 of the Act and Regulation 20 of the SEBI (LODR) Regulations 2015 applicable to the Stakeholders' Relationship Committee ("SRC"). The Stakeholder Relationship Committee comprises of following members:

| Name of Director | Designation in the Committee | Category |
|---|---|---|
| Mr. Ajay Jain | Chairman | Independent Director |
| Mr. Nishith Shah | Member | Executive Director |
| Mr. Gaurang Parikh | Member | Executive Director |

### c) Meeting and Attendance during the year

The Stakeholder Relationship Committee met once during the year and the following table gives the details of members and their attendance in Stakeholder Relationship Committee meeting held during the year ended March 31, 2026.

| Name of Director | June 18, 2025 |
|---|---|
| Mr. Ajay Jain | 1 |
| Mr. Nishith Shah | 1 |
| Mr. Gaurang Parikh | 1 |

### d) Status of complaints received from the investors during the year is as follows:

| Particulars of Complaints | Complaints No. |
|---|---|
| Complaints as on April 1, 2025 | 0 |
| Complaints received during the FY 2025-26 | 0 |
| Complaints disposed during the FY 2025-26 | 0 |
| Complaints Outstanding/unsolved as on March 31, 2026 | 0 |
| Complaints Outstanding/not solved to the satisfaction of shareholder | 0 |

**e) Name and Designation of Compliance Officer**

Ms. Kiran Agrawal, Company Secretary is the Compliance Officer of the Company.

**IV. Corporate Social Responsibility Committee ("CSR Committee")**

**a) Brief Description of Terms of Reference**

The terms of reference of the CSR Committee framed in accordance with Section 135 of the Companies Act, 2013, are as follows:

1. formulate and recommend to the Board, a "Corporate Social Responsibility Policy" stipulating, amongst others, the guiding principles for selection, implementation and monitoring the activities as well as formulation of the annual action plan which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, as amended (**Companies Act**), monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board;
2. identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
3. to review and recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;
4. review and recommend the amount of expenditure to be incurred on the activities referred to in clause (1) and the distribution of the same to various corporate social responsibility programs undertaken by the Company;
5. delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
6. review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
7. assistance to the Board to ensure that our Company spends towards the corporate social responsibility activities in every Fiscal, such percentage of average net profit/ amount as may be prescribed in the Companies Act;
8. providing explanation to the Board if the Company fails to spend the prescribed amount within the financial year;
9. providing updates to Board at regular intervals of six months on the corporate social responsibility activities;
10. any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time; and
11. exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act.

**b) Composition, Name of the Members and Chairman**

The Company has complied with section 135 of the Act applicable to Corporate Social Responsibility Committee ("CSRC"). The CSR Committee comprises of following members:

| Name of Director | Designation in the Committee | Category |
|---|---|---|
| Prof.(Ms.) Lakshmi Kantam M. | Chairperson | Independent Director |
| Mr. Nishith Shah | Member | Executive Director |
| Mr. Gaurang Parikh | Member | Executive Director |

**c) Meeting and Attendance during the year**

The Corporate Social Responsibility Committee met once during the year and the following table gives the details of members and their attendance in Corporate Social Responsibility Committee meeting held during the year ended March 31, 2026.

| Name of Director | June 18, 2025 |
|---|---|
| Prof.(Ms.) Lakshmi Kantam M. | 1 |
| Mr. Nishith Shah | 1 |
| Mr. Gaurang Parikh | 1 |

## V. Risk Management Committee

### a) Brief Description of Terms of Reference

1. To review and assess the risk management system and policy of the Company from time to time and recommend for amendment or modification thereof. The risk management policy shall include the following:
   i. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee;
   ii. Measures for risk mitigation including systems and processes for internal control of identified risks; and
   iii. Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity and recommend for any amendment or modification thereof, as necessary;
4. To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;
5. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
6. To implement and monitor policies and/or processes for ensuring cyber security;
7. To consider the effectiveness of decision making process in crisis and emergency situations;
8. To generally, assist the Board in the execution of its responsibility for the governance of risk;
9. To frame, devise and monitor risk management plan and policy of the Company, including evaluating the adequacy of risk management systems;
10. To review and recommend potential risk involved in any new business plans and processes;
11. To review the Company's risk-reward performance to align with the Company's overall policy objectives;
12. Monitor and review regular updates on business continuity;
13. The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;
14. The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors;
15. Advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy; and
16. Performing such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013, as amended, or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority.

### b) Composition, Name of Members and Chairman

The Company has complied with the Regulation 21 of the SEBI (LODR) Regulations 2015 applicable to Risk Management Committee ("RMC"). The Risk Management Committee comprises of following members:

| Name of Director | Designation in the Committee | Category |
|---|---|---|
| Mr. Nishith Shah | Chairman | Executive Director |
| Mr. Gaurang Parikh | Member | Executive Director |
| Mr. G. Ramakrishnan | Member | Independent Director |

**c) Meeting and attendance during the year**

The Risk Management Committee met twice during the year and the following table gives the details of members and their attendance in Risk Management Committee meeting held during the year ended March 31, 2026.

| Name of Director | June 18, 2025 | January 12, 2026 |
|---|---|---|
| Mr. Nishith Shah | 1 | 1 |
| Mr. Gaurang Parikh | 1 | 1 |
| Mr. G.Ramakrishnan | 1 | 1 |

## VI. Sustainability Committee

**a) Brief Description of Terms of Reference**

- Approve, note & ratify the ESG goals, targets and strategy and monitor performance thereof including the ESG initiatives to ensure long-term value creation for the stakeholders.
- Overview of material ESG risks (including Climate change risk) and opportunities, approach to mitigate or adapt to the risks along with financial implications of the same.
- Periodically review the ESG initiatives in the areas of (i) environment including energy consumption, de-carbonization plan and increased sourcing of renewable energy, water management, waste management, other climate related issues, science based targets etc., (ii) Social including Stakeholder engagement and materiality assessment, ESG risk (including human rights) mapping in supply chain etc. and (iii) Governance including business ethics, Anticompetitive practices, privacy and information security, transparency, accounting and core Corporate Governance practices.
- Review and approve the Charter of ESG of the Company.
- Review the working of ESG and Sustainability Team specific to ESG goals, targets & strategy as approved by ESG Committee.
- Review of ESG reporting in line with various national and global sustainability/ ESG indices and guidelines.
- Review and noting of the Business Responsibility and Sustainability Report or any other similar report.
- Do all acts, deeds & things incidental and deemed necessary for achievement of ESG goals, targets and strategy of the Company

**b. Composition, Name of Members and Chairman**

The Sustainability Committee has been constituted by the Board comprises of following members:

| Name of Director | Designation in the Committee | Category |
|---|---|---|
| Mr. Dhaval Parikh | Chairman | Executive Director |
| Mr. Nishith Shah | Member | Executive Director |
| Mr. Gaurang Parikh | Member | Executive Director |

**c. Meeting and attendance during the year**

The Sustainability Committee met once during the year and the following table gives the details of members and their attendance in Sustainability Committee meeting held during the year ended March 31, 2026.

| Name of Director | February 27, 2026 |
|---|---|
| Mr. Dhaval Parikh | 1 |
| Mr. Nishith Shah | 1 |
| Mr. Gaurang Parikh | 1 |

## VII. IPO Committee

### a) Brief Description of Terms of Reference

1. to decide, negotiate the terms of the issue of the Equity Shares and all other related matters regarding the Pre-IPO Placement, if any, including the execution of the relevant documents with the investors, in consultation with the book running lead manager appointed in relation to the Offer (**BRLM**);
2. to decide in consultation with the BRLM the actual size of the Offer and taking on record the number of Equity Shares, and/or reservation on a competitive basis, and/or any rounding off in the event of any oversubscription and/or any discount to be offered to retail individual bidders or eligible employees participating in the Offer and all the terms and conditions of the Offer, including without limitation timing, opening and closing dates of the Offer, price band, allocation/ allotment to eligible persons pursuant to the Offer, including any anchor investors, and to accept any amendments, modifications, variations or alterations thereto;
3. to appoint, instruct and enter into agreements with the BRLM, and in consultation with BRLM appoint and enter into agreements with intermediaries, co-managers, underwriters, syndicate members, brokers, sponsor banks, escrow collection bankers, auditors, independent chartered accountants, refund bankers, registrar, grading agency, monitoring agency, industry expert, legal counsels, depositories, custodians, credit rating agencies, printers, advertising agency(ies), and any other agencies or persons (including any successors or replacements thereof) whose appointment is required in relation to the Offer and to negotiate and finalize the terms of their appointment, including but not limited to execution of the mandate letters and Offer agreement with the BRLM, and the underwriting agreement with the underwriters, and to terminate agreements or arrangements with such intermediaries;
4. to make any alteration, addition or variation in relation to the Offer, in consultation with the BRLM or the Securities and Exchange Board of India (**SEBI**) or such other authorities as may be required, and without prejudice to the generality of the aforesaid, deciding the exact Offer structure and the exact component of issue of Equity Shares;
5. To authorize the maintenance of a register of holders of the Equity Shares;
6. to finalise, settle, approve, adopt and arrange for submission of the draft red herring prospectus (**DRHP**), the red herring prospectus (**RHP**), the prospectus (**Prospectus**), the preliminary and final international wrap and any amendments, supplements, notices, clarifications, reply to observations, addenda or corrigenda thereto, to appropriate government and regulatory authorities, SEBI, respective stock exchanges where the Equity Shares are proposed to be listed (**Stock Exchanges**), the Registrar of Companies, Maharashtra at Mumbai (**RoC**), institutions or bodies and take all such actions in consultation with the **BRLM** as may be necessary for the submission and filing of the documents mentioned above, including incorporating such alterations/corrections/ modifications as may be required by the SEBI, the RoC or any other relevant governmental and statutory authorities or otherwise under applicable laws;
7. to invite the existing shareholders of the Company to participate in the Offer by offering for sale the Equity Shares held by them at the same price as in the Offer;
8. to take all actions as may be necessary and authorised in connection with the Offer for Sale and to approve and take on record the approval of the Selling Shareholder(s) for offering their Equity Shares in the Offer for Sale and the transfer of Equity Shares in the Offer for Sale;
9. to issue advertisements in such newspapers and other media as it may deem fit and proper, in consultation with the relevant intermediaries appointed for the Offer in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (**SEBI ICDR Regulations**), Companies Act, 2013, as amended and other applicable laws;
10. to decide the total number of Equity Shares to be reserved for allocation to eligible categories of investors, if any, and on permitting existing shareholders to sell any Equity Shares held by them;
11. to open separate escrow accounts as the escrow account to receive application monies from anchor investors/underwriters in respect of the bid amounts and a bank account as the refund account for handling refunds in relation to the Offer and in respect of which a refund, if any will be made;

12. to open account with the bankers to the Offer to receive application monies in relation to the Offer in terms of Section 40(3) of the Companies Act, 2013, as amended;
13. To approve the relevant restated consolidated financial statements to be issued in connection with the Offer;
14. to do all such deeds and acts as may be required to dematerialize the Equity Shares and to sign and/or modify, as the case may be, agreements and/or such other documents as may be required with the Central Depository Services (India) Limited and the National Securities Depository Limited, registrar and transfer agents and such other agencies, as may be required in this connection, with power to authorise one or more officers of the Company to execute all or any such documents;
15. to take all actions as may be necessary or authorized, in connection with the Offer for Sale, including taking on record the approval of the Selling Shareholder(s) for offering their Equity Shares including the quantum in terms of number of Equity Shares/amount offered by the Selling Shareholder(s) in the Offer for Sale, allow revision of the Offer for Sale portion in case any Selling Shareholder(s) decides to revise it, in accordance with the Applicable Laws;
16. to negotiate, finalise, sign, execute and deliver or arrange the delivery of the Offer agreement, syndicate agreement, cash escrow and sponsor bank agreement, share escrow agreement, underwriting agreement, agreements with the registrar to the Offer, monitoring agency the advertising agency(ies), and all other agreements, documents, deeds, memorandum of understanding and other instruments whatsoever with the registrar to the Offer, monitoring agency, legal counsel, auditors, Stock Exchanges, BRLM and other agencies/ intermediaries in connection with Offer with the power to authorize one or more officers of the Company to execute all or any of the aforesaid documents;
17. to make any applications, seek clarifications, obtain approvals and seek exemptions, if necessary, from the Stock Exchange, SEBI, the Reserve Bank of India (**RBI**), RoC and such other statutory and governmental authorities in connection with the Offer, as required by applicable law, and to accept, on behalf of the Board, such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, exemptions, permissions and sanctions as may be required, and wherever necessary, incorporate such modifications / amendments as may be required in the DRHP, RHP and the prospectus;
18. to make in-principle and final applications for listing and trading of the Equity Shares on one or more Stock Exchanges, to execute and to deliver or arrange the delivery of the equity listing agreement(s) or equivalent documentation to the Stock Exchanges and to take all such other actions as may be necessary in connection with obtaining such listing;
19. to determine and finalize, in consultation with the BRLM, the price band for the Offer and minimum bid lot for the purpose of bidding, any revision to the price band and the final Offer price after bid closure, and to finalize the basis of allocation and to allot the Equity Shares to the successful allottees and credit Equity Shares to the demat accounts of the successful allottees in accordance with applicable laws and undertake other matters in connection with or incidental to the Offer, including determining the anchor investor portion, in accordance with the SEBI ICDR Regulations;
20. to issue receipts/allotment advice/confirmation of allocation notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorise one or more officers of the Company to sign all or any of the aforementioned documents;
21. to approve the code of conduct, suitable insider trading policy, whistle blower/vigil mechanism policy, risk management policy and other corporate governance requirements considered necessary by the Board or the IPO Committee or as required under applicable law or the uniform listing agreement to be entered into by the Company with the relevant stock exchanges;
22. to seek, if required, the consent and waivers of the parties with whom the Company has entered into various commercial and other agreements such as Company's lenders, joint venture partners, all concerned governmental and regulatory authorities in India or outside India, and any other consents that may be required in connection with the Offer in accordance with the applicable laws;

23. to negotiate, finalise, sign, execute, deliver and complete any and all notices, offer documents (including DRHP, RHP and Prospectus) agreements, letters, applications, other documents, papers or instruments (including any amendments, changes, variations, alterations or modifications thereto) on behalf of the Selling Shareholders (as maybe applicable), as the case may be, in relation to the Offer;
24. to determine the price at which the Equity Shares are offered, issued, allocated, transferred and/or allotted to investors in the Offer in accordance with applicable regulations in consultation with the BRLM and/or any other advisors, and determine the discount, if any, proposed to be offered to eligible categories of investors;
25. To approve the list of 'group companies' of the Company, identified pursuant to the materiality policy adopted by the Board, for the purposes of disclosure in the DRHP, RHP and Prospectus;
26. to settle all questions, difficulties or doubts that may arise in relation to the Offer, as it may in its absolute discretion deem fit;
27. to do all acts and deeds, and execute all documents, agreements, forms, certificates, undertakings, letters and instruments as may be necessary for the purpose of or in connection with the Offer;
28. to authorize and approve the incurring of expenditure and payment of fees, commissions, brokerage and remuneration in connection with the Offer;
29. to withdraw the DRHP, updated DRHP, or RHP or to decide not to proceed with the Offer at any stage, in consultation with the BRLM and in accordance with the SEBI ICDR Regulations and applicable laws;
30. to determine the utilization of proceeds of the Offer, if applicable and accept and appropriate proceeds of such Offer in accordance with the applicable laws;
31. to authorize any concerned person on behalf of the Company to give such declarations, affidavits, certificates, consents and authorities as may be required from time to time in relation to the Offer or provide clarifications to the SEBI, RoC and the Stock Exchange(s) where the Equity Shares are to be listed;
32. all actions as may be necessary in connection with the Offer, including extending the bid/Offer period, revision of the price band, allow revision of the Offer for Sale portion in case any Selling Shareholder decides to revise it in accordance with the applicable laws;
33. to authorize the affixation of the common seal of the Company on such documents in this connection as may be required in accordance with the provisions of the Articles of Association of the Company and applicable laws; and
34. to authorize and empower officers of the Company (each, an **Authorized Officer(s)**), for and on behalf of the Company, to execute and deliver, on a several basis, any declarations, affidavits, certificates, consents, agreements and arrangements as well as amendments or supplements thereto that the Authorized Officer(s) consider necessary, appropriate or advisable, in connection with the Offer, including, without limitation, engagement letter(s), memoranda of understanding, the listing agreement(s) with the Stock Exchanges, the registrar's agreement and memorandum of understanding, the depositories' agreements, the Offer agreement with the BRLM (and other entities as appropriate), the underwriting agreement, the syndicate agreement with the BRLM and syndicate members, the cash escrow and sponsor bank agreement, confirmation of allocation notes, allotment advice, placement agents, registrar to the Offer, bankers to the Company, managers, underwriters, escrow agents, accountants, auditors, legal counsel, depositories, advertising agency(ies), syndicate members, brokers, escrow collection bankers, auditors, monitoring agency and all such persons or agencies as may be involved in or concerned with the Offer, if any, and to make payments to or remunerate by way of fees, commission, brokerage or the like or reimburse expenses incurred in connection with the Offer by the BRLM and to do or cause to be done any and all such acts or things that the Authorized Officer(s) may deem necessary, appropriate or desirable in order to carry out the purpose and intent of the foregoing resolutions for the Offer; and any such agreements or documents so executed and delivered and acts and things done by any such Authorized Officer(s) shall be conclusive evidence of the authority of the Authorized Officer and the Company in so doing.

**b) Composition, Name of the Members and Chairman**

The IPO Committee was constituted/re-constituted by the Board and the IPO Committee comprises of following members:

| Name of Director | Designation in the Committee | Category |
|---|---|---|
| Mr. Nishith Shah | Chairman | Executive Director |
| Mr. Gaurang Parikh | Member | Executive Director |
| Mr. Dhaval Parikh | Member | Executive Director |
| Mr. Pankil Dharia | Member | Executive Director |

**c) Meeting and Attendance during the year**

The IPO Committee did not meet during the year ended March 31, 2026.

**VIII. Administrative Committee**

**a) Brief Description of Terms of Reference**

(a) to borrow money upto ₹ 700 crores as approved by the shareholders at the General Meeting (Section 180(1)(c) of the Companies Act, 2013 and /or rules made thereunder);

(b) to create charge on the moveable/immovable properties and / or assets of the companies (both present and future) to the extent of amount borrowed (Section 180(1) (a) of the Companies Act 2013 and/ or rules made thereunder);

(c) to make investment/grant loan/give guarantee/provide security in connection with the loans (fund based/non-fund based) made etc. up to the limits as approved by the shareholders at the General Meeting upto ₹ 600 crores (section 186 of the Companies Act, 2013 and / or rules made thereunder);

(d) to grant loans (including loan to employees) and / or give guarantee and / or provide security to subsidiaries/associates/any other person as per section 185 of the Companies Act, 2013 up to ₹ 100 crores as approved by the shareholders at the general meeting on April 22, 2024 (Section 185 of the Companies Act, 2013 &/or rules made thereunder);

(e) to identify and acquire property (movable and immovable) and appoint and/or authorize consultancy firm or legal practitioner for smooth completion of acquisition transactions;

(f) to open, modify and / or close bank account of the company and / or to obtain corporate card/ credit cards for Directors/Sr. employees;

(g) to deploy surplus funds of the company in mutual funds/Fixed Deposits;

(h) to issue Bank guarantee(s) /bonds and/or indemnities in favour of banks concerning the issue of letters or credit or other financial instruments or facilities upto ₹ 500 crores;

(i) To authorize Capex Expenditure upto ₹ 550 crores;

(j) Avail/authorize for Internet viewing facilities from banks and / or authorisation for internet transaction and other routine banking matters;

(k) Issuance of power of attorney;

(l) all General Administrative matters for the smooth functioning of the Company;

(m) any other matters not statutorily requiring Board approval under Companies Act 2013;

**b) Composition, Name of the Members and Chairman**

The Administrative Committee was constituted/re-constituted by the Board and the Administrative Committee comprises of following members:

| Name of Director | Designation in the Committee | Category |
|---|---|---|
| Mr. Nishith Shah | Chairman | Executive Director |
| Mr. Gaurang Parikh | Member | Executive Director |
| Mr. Dhaval Parikh | Member | Executive Director |
| Mr. Pankil Dharia | Member | Executive Director |

c) **Meeting and Attendance during the year**

The Administrative Committee met six times during the year and the following table gives the details of members and their attendance in Administrative Committee meeting held during the year ended March 31, 2026.

| Sr. No | Name of the Director | June 19, 2025 | July 17, 2025 | September 12, 2025 | October 29, 2025 | December 29, 2025 | March 30, 2026 |
|---|---|---|---|---|---|---|---|
| 1 | Mr. Nishith Rajnikant Shah | 1 | 1 | 1 | 1 | 1 | 1 |
| 2 | Gaurang Natwarlal Parikh | 1 | 1 | 1 | - | 1 | - |
| 3 | Mr. Dhaval Nalin Parikh | 1 | 1 | 1 | 1 | 1 | 1 |
| 4 | Mr. Pankil Nishith Dharia | 1 | 1 | - | 1 | - | 1 |

4. **General Body Meetings**

a) **Details of last 3 (Three) Annual General Meetings and whether any Special Resolutions were passed in those three Annual General Meeting are given below**:

| Financial Year | Date | Time | Location | Special Resolution(s) |
|---|---|---|---|---|
| 2024-25 | September 17, 2025 | 03:30 p.m. | Prasol House, Plot No A -17/2/3, T.T.C. Industrial Area, Khairne M.I.D.C., Navi Mumbai-400710 | $Pls refer foot note for which Special Resolutions(s) were passed |
| 2023-24 | September 18, 2024 | 04:00 p.m. | Prasol House, Plot No A -17/2/3, T.T.C. Industrial Area, Khairne M.I.D.C., Navi Mumbai-400710 | #Pls refer foot note for which Special Resolutions(s) were passed |
| 2022-23 | September 15, 2023 | 04:00 p.m. | Prasol House, Plot No A -17/2/3, T.T.C. Industrial Area, Khairne M.I.D.C., Navi Mumbai-400710 | Nil |

**$ /# Special Resolutions(s):**

$ Appointment of Independent director – Mr. Narayanan Pulukhool Nair (DIN 11124568)

$ Appointment of Whole-time director – Mr. Rakesh Jadhav (DIN 07508734)

# To approve and ratify remuneration paid to Mr. Nishith Shah, Chairman and Whole-time Director (DIN 00381267) for the period from April 1, 2023 to March 31, 2024

# To approve payment of minimum remuneration to Mr. Nishith Shah, Chairman and Whole-time Director (DIN: 00381267) in case of inadequacy of profits for the period commencing from April 1, 2024 to January 31, 2027

# To approve payment of minimum remuneration to Mr. Gaurang Parikh, Managing Director (DIN 00190701) in case of inadequacy of profits for the period commencing from April 1, 2024 to January 31, 2027

# To approve payment of minimum remuneration to Mr. Dhaval Parikh, Joint Managing Director (DIN 01636199) in case of inadequacy of profits for the period commencing from April 1, 2024 to January 31, 2027

# To approve payment of minimum remuneration to Mr. Pankil Dharia, Whole-time Director – Strategy & Business Development (DIN 03309485) in case of inadequacy of profits for the period commencing from April 1, 2024 to January 31, 2027

# To increase the overall limit of maximum remuneration payable to all the Directors and Manager and ratify individual limit and overall limit of remuneration for the financial year 2023-24.

# To ratify and approve overall managerial Remuneration paid in the financial year 2022-23

b) **Details of Extraordinary General Meetings given below:**

During the year under review Company has convened the Extra-Ordinary General Meeting(s) on June 18, 2025 and Special Resolution was passed for following:

| Financial Year | Date | Time | Location | Special Resolution(s) |
|---|---|---|---|---|
| 2025-26 | June 18, 2025 | 10:40 a.m. | Prasol House, Plot No A -17/2/3, T.T.C. Industrial Area, Khairne M.I.D.C., Navi Mumbai-400710 | $Pls refer foot note for which Special Resolutions(s) were passed |

$ Raising of capital through an Initial Public Offering (IPO);

$ Appointment of Independent Director;

$ Alteration in the Memorandum of Association of the Company;

$ Alteration in the Articles of Association of the Company

**5. Means of Communication**

- Annual reports, notice of the meetings and other communications to the members were sent through email and / or post.
- The Company's website www.prasolchem.com has a separate section for investors where shareholders information is available.
- Provisions relating to publication of quarterly results, newspaper publication were not applicable to the Company for the financial year under review.
- During the year under review and till adoption of this report, no presentation(s) were made either to the Institutional Investors or to the analysts.
- The Company also has a separate email id investorservices@prasolchem.com for investor grievances.

**6. General Shareholders Information**

**a) Annual General Meeting - Date, Time and Venue**

The 34th Annual General Meeting (AGM) is scheduled to be held on Thursday, July 16, 2026 at 11:30 A.M. at the Registered Office of the Company at Prasol House, Plot No. A-17/2/3, T.T.C. Industrial Area, Khairne MIDC, Navi Mumbai, Thane – 400 710.

**b) Financial Year**

The Financial year of the company is from April to March.

**c) Payment of Dividend**

The Board of Directors has recommended dividend @60% for the Financial Year ended March 31, 2026. The said dividend, if approved by the shareholders, would involve a cash outflow of ₹ 69.60 mn.

**d) Listing of Stock Exchange**

As on the date of this report, your Company is not listed with the Securities and Exchange Board of India (SEBI), however, has adopted various policies voluntarily.

The Company has planned to go for public issue and list its securities on the main board of the BSE Limited and National Stock Exchange of India Limited. The Company has filed the Draft Red Herring Prospectus dated October 14, 2025, with SEBI and the Stock Exchanges on October 15, 2025. The offer comprises of an offer for sale aggregating upto ₹ 4200 Mn and fresh issue up to ₹ 800 Mn.

Your Company has received In-principle approval from BSE Limited and National Stock Exchange of India Limited and as per the letter of Securities and Exchange Board of India (SEBI), proposed issue can be open for subscription within a period of 12 months i.e. on or before March 24, 2027.

**e) BSE Stock Code: N.A.**

**f) Stock market price data for the year 2025-26: N.A.**

**g) Performance in comparison: N.A.**

**h) Registrar and Share Transfer Agents**

Address of Registrar and Share Transfer Agent is as follows:

**KFin Technologies Limited**
(formerly known as KFin Technologies Private Limited)
Selenium Tower B, Plot 31-32, Gachibowli,

Financial District, Nanakramguda, Hyderabad – 500 032
Investor grievance email: einward.ris@kfintech.com
Website: www.kfintech.com
Contact Person: M. Murali Krishna
SEBI Registration No. INR000000221
P: +91 40 6716 1602 | 040 - 6716 2222

**i) Share Transfer System**

As on March 31, 2026, the Company has 81 (Eighty One) shareholders in aggregate and all the shares are held in dematerlized form.

Transfer of shares in demat form, is done by the depositories on receipt of appropriate Instruction Slip from the shareholder, without any involvement of the Company. However, SEBI has prohibited the transfer of shares in physical form effective from April 01, 2019. If any shareholder holding shares in physical form wishes to transfer the shares, he will have to dematerialize the shares and then transfer the shares in demat form.

**j) Distribution of shareholding as on March 31, 2026**

| Category | | # Number of Share holders | % of Total Shareholders | No. of Shares | % of Total Shares |
|---|---|---|---|---|---|
| 1 | 5000 | 10 | 12.35 | 15,100 | 0.03 |
| 5,001 | 10,000 | 2 | 2.47 | 6,515 | 0.01 |
| 10,001 | 20,000 | 15 | 18.52 | 1,05,469 | 0.18 |
| 20,001 | 30,000 | 4 | 4.94 | 48,730 | 0.08 |
| 30,001 | 40,000 | 2 | 2.47 | 40,000 | 0.07 |
| 40,001 | 50,000 | 2 | 2.47 | 48,340 | 0.08 |
| 50,001 | 1,00,000 | 5 | 6.17 | 2,08,180 | 0.36 |
| Above 1,00,001 | | 41 | 50.62 | 5,75,27,666 | 99.19 |
| **TOTAL** | | **81** | **100** | **5,80,00,000** | **100** |

** Subject to the impact of rounding off to two decimal places*

*# No of shareholders is folio based*

**k) Shareholding pattern as on March 31, 2026**

| S.No. | Description | Cases | Shares | % Equity |
|---|---|---|---|---|
| 1 | BODIES CORPORATES | 1 | 7,825 | 0.01 |
| 2 | H U F | 1 | 1,810 | 0.00 |
| 3# | NRN PROMOTERS | 1 | 2,00,000 | 0.34 |
| 4 | PROMOTER GROUP | 31 | 2,78,05,560 | 47.94 |
| 5@ | PROMOTERS | 10 | 2,37,30,000 | 40.91 |
| 6 | RESIDENT INDIVIDUALS | 37 | 62,54,805 | 10.78 |
| **Total** | | **81** | **5,80,00,000** | **100.00** |

** Subject to the impact of rounding off to two decimal places*

*# NRN:Non-Resident Promoters*

*@ Promoters – 9 (one of the Promoter holding two folios)*

*Total Promoters 10 ( #NRN =1 ; @Promoters = 9)*

**l) Dematerialization of securities and liquidity**

As on the date of this report, the company's shares are dematerialised with both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

ISIN No. allotted to the Company's shares is **INE455U01024**

**m) Outstanding Global Depository Receipts (GDR's) or American Depository Receipts (ADR's) or warrants or any convertible instruments as on date.**

**The Company has not issued GDRs, ADRs or any other Convertible Instruments and as such, there is no impact on the equity share capital of the Company.**

**n) Commodity price risk or foreign exchange risk and hedging activities**

The Company is exposed to Foreign exchange risk due to fluctuation in foreign exchange prices. The Company imports certain raw materials, the price of which is denominated in foreign currency viz. U.S. Dollars/Euro/Chinese Yuan/GBP, etc. The Company also sometime avails short term Foreign Currency Demand Loan in U.S. Dollars in lieu of short term INR loan if interest rate arbitrages are available at the time of availing the loan. The Company also exports its products, receivables of which are in foreign currency, which acts as a natural hedge against its imports/short term foreign currency loan. The Company also enters into forward contracts/foreign currency borrowing to manage its foreign currency exposures. The Company has in place a robust forex risk management framework and the reports for both import, short term foreign currency loan & export exposures in a prescribed formatted form on frequent intervals for identification, monitoring and mitigation of foreign exchange risks.

Moreover, the company has subscribed to a software platform which is updated on frequent intervals to show the real time data with the risk showing the foreign currency exposures are at a gain or loss on real time basis enabling the Company to take appropriate actions to mitigate the foreign exchange fluctuation risks. Further the Senior Management regularly meets in order to assess, identify, monitor, and mitigate the foreign exchange fluctuation risks.

**o) Plant locations**

The Company's manufacturing Plant is located at:

**Honad**

Group Gram Panchayat (Honad): Survey No. 08, 13, 14, 15, 16, 25, 75, Takai Adoshi Road, Honad Village, Khopoli, Taluka Khalapur, Dist – Raigad - 410203, Maharashtra

**Dheku**

Survey No. 74, 146, 150, 151, 152, 154, Takai Adoshi Road, Dheku Village, Khopoli, Taluka Khalapur, Dist. Raigad - 410203, Maharashtra.

**Mahad**

Plot No. FS 30, Mahad Five Star MIDC, Amshet Village, Taluka Mahad, Dist. Raigad – 402309, Maharashtra.

**p) Address for correspondence**

Prasol House, Plot No A - 17/2/3,
T.T.C. Industrial Area,
Khairne M.I.D.C.,
Navi Mumbai-400710
Maharashtra

**8. Other Disclosures**

**a. Related party transactions**

During the reporting period, all transaction entered by the Company with related parties were in the Ordinary course of business and at arms' length basis. There are no materially significant transactions with the related parties. Disclosure as required by the Accounting Standard has been made in the Annual Report.

**b. Non-compliance/strictures/penalties imposed**

The Company has complied with the requirements of the Stock Exchanges, SEBI and other Statutory Authority(ies) to the extent applicable.

During the year under review, penalty of ₹99,885 (Rupees Ninety Nine Thousand Eight Hundred Eighty Five Only) levied by the Income Tax Department under section 270A of the Income-tax Act,1961 due to minor delays in certain PF payments during COVID 19 lockdown period. The same was confirmed by CIT (A) in appeal. To reduce unwarranted use of time and cost, the Company chose to pay the same.

**c. Details of compliance with the mandatory requirements and adoption of the non-mandatory requirements**

The Company has voluntarily complied with the necessary provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended.

**d. Details of establishment of Vigil Mechanism, Whistle Blower Policy and affirmation that no personnel have been denied access to the Chairman**

Requisite disclosure(s) with reference to Vigil Mechanism/Whistle Blower Policy has been made in the Directors' Report.

**e. Disclosure with respect to Subsidiaries**

As on the date of this report, the Company does not have any subsidiary.

**f. Preferential Allotment or Qualified Institutional Placement as specified under Regulation 32 (7A)**

During the year under review, the Company has not raised any funds through preferential allotment or qualified institutions placement.

**g. Directors on the Board of the company debarred or disqualified from being appointed or continuing as Directors of Companies**

As on the reporting date, your Company is not listed, hence certificate has not been obtained from the Practicing Company Secretaries that none of the Directors on the Board of the Company have been disqualified or debarred from continuing or being appointed as Directors of companies by the Board or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

**h. Recommendation of committee of the board**

During the year, Board has accepted the recommendation(s) of the Committees, if any.

**i. Total fees paid to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part**

**(₹ in Million)**

| Auditor's remuneration comprises: | For year ended March 31, 2026 | For year ended March 31, 2025 |
|---|---|---|
| As Auditor | 0.90 | 0.70 |
| For Tax Audit | 0.18 | 0.15 |
| For Taxation matters | 0.14 | 0.16 |
| For certification and other services | 0.04 | 0.01 |
| Total | 1.26 | 1.02 |

**j. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

i. Number of complaints filed during the Financial Year: Nil

ii. Number of complaints disposed of during the Financial Year: Nil

iii. Number of complaints pending as on end of the Financial Year: Nil

**k. Modified opinion(s) in Audit Report**

The Company's Financial Statements are issued with unmodified opinion. However, there are minor observations on the Company's Internal Financial Controls over financial reporting for which the Auditors have expressed modified opinion.

**l. Reporting of Internal Auditor**

The Internal Auditors will report directly to the Audit Committee.

**m. SEBI Complaints Redress System (SCORES)**

SEBI administers a centralised web-based complaints redress system (SCORES). It enables investors to lodge and follow up complaints and track the status of redressal online at https:// scores.sebi.gov.in/ It also enables the market intermediaries and listed companies to receive complaints from investors against them, redress such complaints, and report redressal. All the activities starting from the lodging of a complaint till its disposal are carried out online in an automated environment, and the status of every complaint can be viewed online at any time.

The Company has registered itself on SCORES and endeavours to resolve all investor complaints received through SCORES or otherwise within 21 days of the receipt of the complaint. During the year under review, the Company had not received any investor complaints through SCORES.

**n. Compliance of conditions of Corporate Governance**

During the reporting period, Company has voluntarily complied with the requirement of compliance of Corporate Governance to the extent applicable and has been annexed which forms Part of this Report.

**o. Equity Shares on Stock Exchange**

As on the reporting date, the Company's equity shares are not listed on the Stock Exchanges namely BSE and NSE.

**For and on behalf of Board**
**For Prasol Chemicals Limited**
**CINU99999MH1992PLC065026**

**Nishith Shah**
**Chairman & Whole-time Director**
**DIN 00381267**

**Dhaval Parikh**
**Joint Managing Director**
**DIN 01636199**

**Place: Navi Mumbai**
**Date: June 15, 2026**

# MANAGEMENT DISCUSSION AND ANALYSIS

## COMPANY OVERVIEW

Your company is a forward integrated manufacturer of acetone and phosphorous based specialty chemicals and other specialty chemicals involving complex and differentiated chemistries. Your company's products have diversified applications across numerous industries with 5 key segments being:

(a) performance chemicals (including lubricant additives and mining chemicals);

(b) PICA viz., paints, inks construction, & adhesives;

(c) pharmaceuticals;

(d) agrochemicals; and

(e) home and personal care (**Application Industries**).

Since incorporation, we have significantly expanded our business and scale of operations and have grown from a small scale manufacturer to a large, diversified specialty chemical player with a global footprint. Your Company is a Government of India certified Three Star Export House Company with the global distribution network spread across 69 countries across Asia Pacific (APAC), North and South America and Europe.

Your Company's R&D efforts remain focused on research and development **(R&D)** and continuously invest in product development to ensure that our products remain relevant in helping customers to meet the evolving market demands. As part of R&D efforts, your Company undertake collaborative product development with customers, which enable to customize products in line with customer expectations whilst simultaneously reducing lead-times.

The Company's specialty chemicals are manufactured in smaller quantities, with a strong emphasis on quality, performance, and customization to meet the unique demands of various industries. The quality of these chemicals is crucial, as it directly impacts the performance and safety of the end products.

The Company is the only manufacturer of isophorone in India. During the calendar years 2022-2024, your company was among the top 5 users of yellow phosphorous in India to produce phosphorous-based specialty chemicals such as phosphorous pentasulphide and diethyl thiophosphoryl chloride.

Your Company's portfolio of specialty chemicals strengthens the Make in India or "Atma Nirbhar" campaigns of the Government of India by delivering locally manufactured solutions that reduce dependence on imports and build self-reliance in certain Application Industries.

## OPERATIONAL AND FINANCIAL OVERVIEW

The Company's manufacturing Plants are located at Khopoli and Mahad and Registered Office at Navi Mumbai.

The Company has in-house laboratory to test raw materials procured and the products at various stages of the manufacturing process and for research and development of new product.

Your Company has a track record of operations of more than three decades and have a strong balance sheet with stable cash flows. Your Company has experienced sustained growth in various financial indicators, including revenue and PAT. Your Company has also seen consistent improvement in balance sheet position in the last three fiscals, wherein your Company has witnessed an increase in our net worth.

### Comparison of Fiscal 2026 with Fiscal 2025 Income

Our total income increased by 21.88% to ₹ 12,378.45 Mn in Fiscal 2026 from ₹ 10,155.87 Mn in Fiscal 2025, primarily on account of the factors discussed below:

### Revenue from operations

Our revenue from operations Increased by 21.74% to ₹ 12,325.93 Mn in Fiscal 2026 from ₹ 10,124.94 Mn in Fiscal 2025 mainly due to increase in Sales volumes.

### Other income

Our other income increased by 61.84% to ₹ 52.52 Mn in Fiscal 2026 from ₹ 30.93 Mn in Fiscal 2025. Other Income in Fiscal 25 included expenses no longer payable written back and provisions no longer required written back.

### Expenses

Our total expenses were ₹ 11,259.46 Mn in Fiscal 2026 i.e. 90.96% of Revenue from operations and ₹9,562.97 Mn in Fiscal 2025 i.e. 94.16% of Revenue from operations. The absolute increase was due to an increase in Employee related expenses, and higher Manufacturing and Selling expenses due to higher sales volumes in Fiscal 2026. However, there was decrease in Total Expenses percentage terms which was primarily due to increase in net sales realization in Fiscal 2026.

**Cost of goods sold**

Our cost of goods sold, which comprises inventories at the beginning of the year, purchase of raw materials, purchase of traded goods, purchase of packing materials and inventories at the end of the year, were ₹ 8,539.08 Mn for Fiscal 2026 as compared to ₹ 7,243.51 Mn for Fiscal 2025, which translated to decrease in percentage terms from 71.54% in Fiscal 2025 to 69.28% in Fiscal 2026. This decrease in percentage terms was primarily due to higher net Sales realization in Fiscal 2026.

**Employee Benefit Expense**

Our employee benefits expenses were 4.09% of Revenue from Operations for Fiscal 2026 which were higher as compared to 4.12% of Revenue from Operations for Fiscal 2025. This increase was primarily due to increase in head count and annual increase in salary cost.

**EBIDTA:**

**Finance Costs**

Our finance costs were 0.81% for Fiscal 2025 which was reduced to 0.65% for Fiscal 2026. This reduction was primarily due to improvement in working capital positions intermittently during Fiscal 2026 and reduction in interest rates.

**Depreciation and Amortization Expense**

Our depreciation and amortization expenses were ₹ 232.76 Mn in Fiscal 2025 which increased to ₹ 246.96 Mn in Fiscal 2026. This increase was primarily due to capitalization of new assets.

**Other Expenses**

Our other expenses which stood at ₹ 1587.23 Mn for Fiscal 2025 Increased to ₹ 1,889.99 Mn for Fiscal 2026, primarily due to Loss in foreign currency fluctuations transactions, increase in Consumption of Power and fuel and other Manufacturing expenses and freight outward on revenue in Fiscal 2026.

**Tax Expense**

Our tax expenses increased from ₹ 157.17 Mn in Fiscal 2025 to ₹ 287.75 Mn in Fiscal 2026 primarily due to increase in profit before tax.

**Profit for the Year**

As a result of the above factors, our profit for the year increased from ₹ 435.72 Mn in Fiscal 2025 to ₹ 831.24 Mn in Fiscal 2026.

**Key Financial Ratios**

The table below sets forth some of the key financial indicators for FY 2025-26 and FY 2024-25 on YoY basis:

| Sr. No. | Ratio | Current Period | Previous Period |
|---|---|---|---|
| 1 | Current Ratio | 1.54 | 1.34 |
| 2 | Debt-Equity Ratio | 0.25 | 0.27 |
| 3 | Debt Service Coverage Ratio | 5.38 | 1.54 |
| 4 | Return on Equity Ratio | 20.37% | 12.57% |
| 5 | Inventory Turnover Ratio | 5.59 | 5.75 |
| 6 | Trade Receivables Turnover Ratio | 5.18 | 5.66 |
| 7 | Trade Payables Turnover Ratio | 4.22 | 4.21 |
| 8 | Net Capital Turnover Ratio | 7.4 | 10.72 |
| 9 | Net Profit Ratio | 6.74% | 4.30% |
| 10 | Return on Capital Employed | 20.42% | 13.50% |

**HUMAN RESOURCES**

The company believes that employees are the key assets of any organization and provides them with friendly competitive work environment to excel.

The number of employees as on March 31, 2026 were 724.

**INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company has in place adequate internal financial controls during the reporting period. It has adopted necessary policies and procedures for ensuring the orderly and efficient conduct of its business, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records.

Internal Financial Controls are policies, procedures and processes that ensure the accuracy, completeness and reliability of financial reporting and transactions. With periodic review, testing and audit of processes and controls, your company ensures that they are working as expected. Independent audit is undertaken in different areas as per the annual audit plan to identify areas of improvement. Internal controls ensure the efficient conduct of its business, including adherence to Company policies, safeguarding of its assets, prevention and detection of errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information.

The Company is in the process to further strengthen the Internal Control Processes as suggested by the Auditors in their report.

**KEY RISK AND CONCERNS**

Risk management is a holistic, integrated, structured and disciplined approach to manage risks with the objective of maximizing shareholder's value. It aligns strategy, processes, people & culture, technology and governance with the purpose of evaluating and managing the uncertainties faced by the organization while creating value. Risk Management is an essential element in achieving business goals and deriving benefits from market opportunities.

Key Risk and Concerns inter-alia are:

- possible slowdown in the Chinese economy as well as a strained relationship with India may increase volatility in Indian securities markets and indirectly affect the Indian economy in general; Further, negative economic developments, such as rising fiscal or trade deficits, or a default on national debt;
- Adverse geopolitical conditions such as increased tensions between India and its neighbouring countries, resulting in any military conflict in the region;
- Environmental sustainability and resource scarcity are significant concerns for the market, as overuse of phosphorus in fertilizers can lead to water pollution, and phosphorus is a finite resource;
- projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the potential impact on human health and resources.

Company has formulated an appropriate policy and established a risk management framework, the objectives of which are:

- Embedding the management of risk as an integral part of the business processes;
- Establishing an effective system of risk identification, analysis, evaluation and treatment within all areas and levels of the Company;
- Monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems, including cyber security;
- Avoiding exposure to significant financial loss;
- Contributing to the achievement of the Company's objectives;
- Accessing the benefits and cost of implementation of available options and controls to manage risk;
- War like situations in various parts of the world may also affect export to some extent, however, by diversification in the Company's business, it will have lesser impact on the performance of the Company.

The Company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, liquidity and credit risk, commodity price risk which may adversely impact the fair value of its financial instruments.

**Market Risk**

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

Market risk is the risk involving changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. Your Company is exposed to market risk primarily related to foreign exchange rate risk. Thus, our exposure to market risk is a function of revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in foreign currency revenues and costs. The Company uses derivative to manage market risk. Generally, the Company seeks to apply hedge accounting to manage volatility in profit or loss.

**Interest Rate Risk**

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

**Credit Risk**

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

**Currency Risk**

The Company is exposed to currency risk on account of its operations in other countries. The functional currency of the Company is Indian Rupee. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may continue to fluctuate substantially in the future. Consequently, the Company uses derivative instruments, i.e. foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange rates in respect of its highly probable forecasted transactions and recognized assets and liabilities. The company enters into foreign currency forward contracts which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables/receivables.

**Liquidity Risk**

Your Company follows a conservative policy of ensuring sufficient liquidity at all times through a strategy of profitable growth, efficient liquidity at all times through a strategy of profitable growth, efficient working capital management as well as prudent capital expenditure. The Company has an overdraft facility with banks to support any temporary funding requirements and Company believes that current cash and cash equivalents, tied up borrowing lines and cash flow that is generated from operations is sufficient to meet requirements.

**SWOT ANALYSIS**

**Strengths**

Leading forward integrated manufacturers of acetone and phosphorous based specialty chemicals and other specialty chemicals involving complex and differentiated chemistry and our products find diversified application in a large number of Application Industries. According to the CARE Report, your Company is highly diversified specialty chemical player with over 150 specialty chemical products. The diverse applications of products across multiple application industries and end uses insulates from changes in business cycles or disruptions in any one industry.

1. Highly diversified product portfolio used across various Application Industries;
2. Well established R&D capabilities driving innovation with strong pipeline of products to address customized customer requirements;
3. Long standing relationships with a diversified customer base and strong global presence;
4. Experienced, Qualified and Professional Leadership Team with a focus on business sustainability; and
5. Robust financial performance.

**Weakness**

Our operations depend on the availability of Raw Material, Demand for our products and foreign currencies volatility and Recession uncertainty affecting exports.

**Opportunities**

- Rising domestic consumption, increased infrastructure and industrial spending, and the growth of key end-user industries such as agriculture, construction, pharmaceuticals, and FMCG are driving demand for specialty and performance chemicals;
- Export opportunities are also improving as global companies diversify away from China;
- With both domestic and global demand expected to grow, Indian chemical manufacturers are set to play a larger role in global supply chains;
- The sector is expected to benefit from increased consumption, industrial activity, and its growing role as a reliable global supplier of specialty chemicals;

- Chemicals for pharmaceuticals and personal care items are essential for developing new treatments and formulations, fuelling innovation, and creating growth opportunities in healthcare and consumer goods sectors;
- There is an increasing demand for pharmaceutical and healthcare services related to communicable diseases, which will further support the API industry in India;
- The home and personal care (HPC) industry offers robust growth opportunities for chemical companies, with rising demand for specialty ingredients and sustainable products;
- Upcoming domestic capacities in India are expected to reduce reliance on acetone imports.

**Threats**

- Stringent Regulatory Compliance;
- Supply Chain Disruptions;
- Macro-economic conditions like government policies, currency fluctuations, and volatility in raw material prices.

**Future Outlook**

The global landscape is expected to change as countries rethink their priorities and policies in response to these new developments.

Overall, India is becoming more competitive in global trade, particularly in sectors like textiles, electronics, auto components, and chemicals.

Despite global economic headwinds, India's strong growth outlook, rising investments, and expanding export potential offer a promising environment for chemical manufacturers. The sector is expected to benefit from increased consumption, industrial activity, and its growing role as a reliable global supplier of specialty chemicals.

# FINANCIAL STATEMENT

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF PRASOL CHEMICALS LIMITED

### Report on the audit of the Financial Statements

### Opinion

We have audited the accompanying Financial Statements of **Prasol Chemicals Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended and notes to the Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, the 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 of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the independence 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 on the Financial Statements.

### Emphasis of Matter

As stated in Note No. 50, the Company proposes to go in for an Initial Public Offer (IPO) and has incurred an expenditure of ₹ 29.22 Million in connection therewith. The same is included under Other Current Assets in Note No. 14. The Company proposes to charge the same to Securities Premium Account once the IPO process is completed.

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

### Information other than the Financial Statements and Auditors Report thereon

The Company's Board of Directors is responsible for the Other Information. The Other Information comprises the information included in the Directors' report including its annexures but does not include the Financial Statements, Consolidated Financial Statements and our auditor's reports thereon.

Our opinion on the Financial Statements does not cover the Other Information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the Financial Statements or our knowledge obtained in the course of our audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. When we read the Other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS 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 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 give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

**Auditor's Responsibilities for the Audit of Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and the Board of Directors.
- Conclude on the appropriateness of Management's and the Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors (i) in planning the scope of our audit work and in evaluating the results of our audit work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, based on our audit, 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.

   (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, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

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

   (e) On the basis of the written representations received from the directors as on March 31, 2026 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 with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**"; Our report expresses a modified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with 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 requisite approvals mandated by the provisions of section 197 read with Schedule V 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 as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 35 to the Financial Statements.

      ii. The Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses.

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

      iv. i. The Management has represented that, to the best of its knowledge and belief, as disclosed in Note no. 51(i) to the Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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;

         ii. The Management has represented, that, to the best of its knowledge and belief, as disclosed in Note no. 51(ii) to the Financial Statements no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("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; and

iii. Based on such audit procedures that we have 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) above contain any material misstatement.

v. The final dividend paid by the Company during the year in respect of F.Y 2024-25 is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note no. 16 to the Financial Statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

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

For **C N K & Associates LLP**
Chartered Accountants
Firm Registration No: 101961W/W100036

**Diwakar Sapre**
Partner
Membership No. : 040740
UDIN: **26040740JZKYLT8233**

Place: Mumbai
Date: June 15, 2026

## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

**(Referred to in paragraph 1 under "Report on other Legal and Regulatory requirements" in the Independent Auditor's Report of even date to the members of PRASOL CHEMICALS LIMITED ("the Company") on the Financial Statements for the year ended March 31, 2026)**

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

(i) In respect of the Company's Property, Plant and Equipment and Intangible assets:

(a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

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

(b) The Company undertakes physical verification of Property, Plant and Equipment (including capital work-in-progress) once in three years. During the year, the Company has undertaken physical verification of Property, Plant and Equipment (including capital work-in-progress) in accordance with the said plan. In our opinion the frequency of verification is reasonable. The discrepancies noticed on such verification, which were not material, have appropriately been dealt with in the books of account.

(c) The title deeds of all immovable properties (other than properties where the Company is the lessee and lease agreements are duly executed in favour of the Company) are held in the name of the Company. The title deeds pertaining to freehold immovable properties (where such deeds have been lodged with banks, have been confirmed by the respective banks).

(d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use Assets) or Intangible assets during the year. Hence, reporting under paragraph 3(i)(d) of the Order is not applicable to the Company for the year under audit.

(e) As stated in note no. 52(a) the Company does not have any proceedings initiated or pending as at March 31, 2026 for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) (a) The inventory (except goods in transit stock lying at third parties) has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable. Considering the size of the Company and nature of its operations, the coverage and procedures are adequate. The discrepancies noticed on physical verification of inventory did not exceed 10% or more for each class of inventory and the same have been appropriately dealt with in the books of account. (also refer to our Report on the Internal Financial Controls in Annexure B to this report).

(b) The Company has working capital limits sanctioned from banks exceeding ₹ 5 crores, on the basis of security of current assets. As disclosed in Note no. 20 of the Financial Statements, the quarterly returns / statements filed by the Company are broadly in agreement with the books of account and no material unreconciled discrepancies have been observed.

(iii) (a) During the year, the Company has granted unsecured loans to employees. Apart from the above, the Company has not made any investments or given any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties.

A. The Company has granted unsecured loans to its employees during the year as under:

**(₹ in million)**

| Particulars | Loan to Employees |
|---|---|
| Aggregate amount granted/ provided during the year | 1.88 |
| Balance outstanding as at March 31, 2026 | 1.62 |

The Company has neither stood guarantee nor provided any security to any entity during the year.

(b) In our opinion, terms and conditions of the grant of loans to employees are, prima facie, not prejudicial to the Company's interest.

(c) The loans given to employees are interest free and repayable within a period of one year and the repayment of the same is regular.

(d) In respect of the loans granted by the Company, there is no amount overdue for a period of more than ninety days.

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year.

(iv) The Company has complied with the provisions of sections 185 and 186 of the Companies Act, 2013 in respect of the loans granted and investments made during the year. The Company has not stood guarantee nor provided security to any party.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits within the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013. We are informed by the Management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard.

(vi) We have broadly reviewed the books of account and records maintained by the Company, pursuant to the Order made by the Central government for the maintenance of Cost records under 148(1) of the Companies Act, 2013 and we are of the opinion that, prima facie prescribed accounts and records have generally been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.

(vii) (a) Except for a delay of 5 days in depositing Tax Deducted at Source (amount not material), the Company has been generally regular in depositing undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees State Insurance Fund, Income Tax, Sales Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with appropriate authorities. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material statutory dues to the extent applicable to the Company, in arrears as at March 31, 2026 for a period of more than six months from the date they became payable.

(b) On the basis of our examination of records and according to the information and explanations given to us, the particulars of statutory dues that have not been deposited on account of any dispute are as under:

**(Amount ₹ in Million)**

| Name of statute | Nature of dues | Amount (₹ million) | Period to which the amount related | Forum where the matter is pending |
|---|---|---|---|---|
| Customs Act | Customs duty | 6.82 | - | The Customs Excise and Service Tax Appellate Tribunal |
| Income Tax Act, 1961 | Income tax | 1.82 | AY 2018 -19 | Commissioner of Income Tax Appeals |

(viii) As disclosed in Note no. 52(e), there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961.

(ix) On the basis of examination of records and according to the information and explanation given to us:

(a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) As disclosed in Note no. 52(f), the Company has not been declared a wilful defaulter by any bank or financial institution or other lenders during the year.

(c) The term loans have been utilised for the purpose for which the loans were obtained.

(d) On an overall examination of the Financial Statements, we report that the Company has not utilised funds raised on short-term basis for long-term purposes.

(e) The Company does not have any subsidiary, associate or joint ventures. Therefore, reporting under paragraphs 3(ix)(e) and 3(ix)(f) of the Order is not applicable to the Company for the year under audit.

(x) (a) No moneys were raised by way of initial public offer or further public offer (including debt instruments) during the year. Hence, reporting under paragraphs 3(x)(a) of the Order is not applicable to the Company for the year under audit.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, optionally convertible) during the year.

(xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under section 143(12) of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors Rules), 2014 with the Central Government during the year and up to the date of this report.

(c) As represented by the Management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company. Accordingly, reporting under paragraph 3(xii) of the Order is not applicable to the Company for the year under audit.

(xiii) The Company is in compliance with sections 177 and 188 of Companies Act, 2013 with respect to applicable transactions with related parties and the details of related party transactions have been disclosed in the Financial Statements as required by the applicable Accounting Standards.

(xiv)(a) In our opinion, the Company has an adequate Internal Audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports for the period under audit, issued to the Company during the year, in determining the nature, timing and extent of our audit procedures.

(xv) The Company has not entered into non-cash transactions with directors or persons connected with him. Hence, the provisions of section 192 of the Act are not applicable.

(xvi)(a) The Company is not required to be registered under sections 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934); Hence, reporting under paragraphs 3(xvi)(a), 3 (xvi)(b) and 3(xvi)(c) of the Order is not applicable to the Company for the year under audit.

(b) In our opinion, there is no Core investment Company within the group [as defined in the Core Investment Companies (Reserve Bank) Directions, 2016]. Hence, reporting under paragraph 3 (xvi)(d) of the Order is not applicable to the Company for the year under audit.

(xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly, reporting under paragraph 3(xviii) of the Order is not applicable to the Company for the year under audit.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date; We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) The Company has spent the requisite amount on eligible CSR activities and there is no unspent amount as at the end of the year, whether related to on-going projects or otherwise.

For **C N K & Associates LLP**
Chartered Accountants
Firm Registration No: 101961W/W100036

**Diwakar Sapre**
Partner
Membership No. : 040740
UDIN: **26040740JZKYLT8233**

Place: Mumbai
Date: June 15, 2026

## ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

**Modified Opinion**

We have audited the internal financial controls over financial reporting of **PRASOL CHEMICALS LIMITED** ("the Company") as of March 31, 2026 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Company needs to strengthen system controls over maintenance of quantitative item-wise details and corresponding values of Inventory at year-end (including stages at which inventory is lying) and allocation of overheads for which details have been provided manually.

Subject to the above, the Company has in all material respects, adequate internal financial controls with reference to Financial Statements 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 (the "Guidance Note").

**Management's Responsibility for Internal Financial Controls**

The Company's Management and the Board of Directors are 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 with reference to Financial Statements of the company 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 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Financial Statements of the company were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to Financial Statements of the company 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

For **C N K & Associates LLP**
Chartered Accountants
Firm Registration No: 101961W/W100036

**Diwakar Sapre**
Partner
Membership No. : 040740
UDIN: **26040740JZKYLT8233**

Place: Mumbai
Date: June 15, 2026

## Balance Sheet as at March 31, 2026

(₹ in Millions)

| Particulars | Note No. | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|
| **I. ASSETS** | | | |
| **Non-Current Assets** | | | |
| (a) Property, Plant and Equipment | 3 | 3,110.09 | 3,244.37 |
| (b) Capital Work-in-Progress | 3 | 470.84 | 212.17 |
| (c) Other Intangible Assets | 4 | 31.01 | 16.36 |
| (d) Financial Assets | | | |
| (i) Investments | 5 | - | - |
| (ii) Other Financial Assets | 6 | 25.18 | 24.40 |
| (e) Other Non-Current Assets | 7 | 13.52 | 2.36 |
| (f) Other Tax Assets (Net) | 8 | - | 1.41 |
| **Total non-current assets** | | **3,650.64** | **3,501.07** |
| **Current Assets** | | | |
| (a) Inventories | 9 | 1,532.38 | 1,517.00 |
| (b) Financial Assets | | | |
| (i) Trade Receivables | 10 | 2,786.86 | 1,972.68 |
| (ii) Cash and Cash Equivalents | 11 | 240.70 | 166.51 |
| (iii) Bank Balances other than (ii) above | 12 | 1.30 | 0.74 |
| (iv) Other Financial Assets | 13 | 6.91 | 11.02 |
| (c) Other Current Assets | 14 | 173.96 | 61.85 |
| **Total Current Assets** | | **4,742.11** | **3,729.80** |
| **TOTAL ASSETS** | | **8,392.75** | **7,230.87** |
| **II. EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| (a) Equity Share Capital | 15 | 116.00 | 116.00 |
| (b) Other Equity | 16 | 4,369.05 | 3,558.70 |
| **Total Equity** | | **4,485.05** | **3,674.70** |
| **Liabilities** | | | |
| **Non Current Liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 17 | 470.03 | 435.81 |
| (ia) Lease Liabilities | | 4.32 | 4.80 |
| (b) Deferred Tax Liabilities (net) | 18 | 260.02 | 254.49 |
| (c) Provisions | 19 | 96.23 | 75.56 |
| **Total Non-Current Liabilities** | | **830.60** | **770.66** |
| **Current Liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 20 | 630.61 | 574.71 |
| (ia) Lease Liabilities | | 0.48 | 0.48 |
| (ii) Trade Payables | 21 | | |
| (A) Total outstanding dues of micro enterprises and small enterprises; and | | 35.02 | 30.33 |
| (B) Total outstanding dues of creditors other than micro enterprises and small enterprises. | | 2,047.33 | 1,938.35 |
| (iii) Other Financial Liabilities | 22 | 35.58 | 32.54 |
| (b) Other Current Liabilities | 23 | 305.82 | 171.65 |
| (c) Provisions | 24 | 19.24 | 11.79 |
| (d) Current Tax Liabilities (Net) | 25 | 3.02 | 25.66 |
| **Total Current Liabilities** | | **3,077.10** | **2,785.51** |
| **Total Liabilities** | | **3,907.70** | **3,556.17** |
| **TOTAL EQUITY AND LIABILITIES** | | **8,392.75** | **7,230.87** |
| **Material Accounting Policies** | 1 & 2 | | |
| See accompanying Notes from 1 to 52 forming part of the Financial Statements | | | |

As per our attached report of even date
**For C N K & Associates LLP**
Chartered Accountants
Firm Registration No.: 101961W/W100036

**Diwakar Sapre**
Partner
Membership No. 040740

Place: Navi Mumbai
Date: June 15, 2026

For and on behalf of the Board of Directors of
**Prasol Chemicals Limited**

**Nishith R. Shah**
Chairman and Whole Time Director
DIN:00381267

**Dhaval Parikh**
Joint Managing Director
DIN:01636199

**Rahul A. Shroff**
Chief Financial Officer & Finance Director

**Kiran Agrawal**
Company Secretary
Membership No. A13188

Place: Navi Mumbai
Date : June 15, 2026

## Statement of Profit and Loss for the year ended March 31, 2026

(₹ in Millions)

| | Particulars | Note No. | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|---|---|
| I. | Revenue from Operations | 26 | 12,325.93 | 10,124.94 |
| II. | Other Income | 27 | 52.52 | 30.93 |
| **III.** | **Total Income** | | **12,378.45** | **10,155.87** |
| **IV.** | **Expenses** | | | |
| | Cost of Materials Consumed | 28 | 6,884.67 | 6,075.99 |
| | Purchase of Stock-in-Trade | 29 | 1,750.88 | 1,343.12 |
| | Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade | 30 | (96.47) | (175.60) |
| | Employee Benefits Expense | 31 | 503.66 | 416.99 |
| | Finance Costs | 32 | 79.77 | 82.48 |
| | Depreciation and Amortization Expense | 33 | 246.96 | 232.76 |
| | Other Expenses | 34 | 1,889.99 | 1,587.23 |
| | **Total Expenses (IV)** | | **11,259.46** | **9,562.97** |
| **V.** | **Profit Before Tax** | | **1,118.99** | **592.90** |
| **VI.** | **Tax expense:** | | | |
| | 1. Current Tax | | 276.89 | 154.32 |
| | 2. Deferred Tax | | 6.70 | (2.38) |
| | 3. Adjustment of Tax for Earlier Years | | 4.16 | 5.24 |
| **VII.** | **Profit/ (Loss) for the Year** | | **831.24** | **435.72** |
| **VIII.** | **Other Comprehensive Income** | | | |
| | A. (i) Items that will not be reclassified to (profit)/ loss | | 4.66 | 2.79 |
| | (ii) Income tax related to items that will not be reclassified to profit or loss | | (1.17) | (0.70) |
| **IX.** | **Total Comprehensive Income for the Year (Comprising Profit /(Loss) and Other Comprehensive Income for the Year )** | | **827.75** | **433.63** |
| **X.** | **Earning per Equity Share of Face value of ₹ 2/- each** | | | |
| | 1. Basic in ₹ | 40 | 14.33 | 7.51 |
| | 2. Diluted in ₹ | | 14.33 | 7.51 |
| | **Material Accounting Policies** | 1 & 2 | | |
| | See accompanying Notes from 1 to 52 forming part of the Financial Statements | | | |

As per our attached report of even date
**For C N K & Associates LLP**
Chartered Accountants
Firm Registration No.: 101961W/W100036

**Diwakar Sapre**
Partner
Membership No. 040740

Place: Navi Mumbai
Date: June 15, 2026

For and on behalf of the Board of Directors of
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**Kiran Agrawal**
Company Secretary
Membership No. A13188

Place: Navi Mumbai
Date : June 15, 2026

## Statement of Cash Flows For the year ended March 31, 2026

(₹ in Millions)

| Particulars | | For the year ended March 31, 2026 | for the year ended March 31, 2025 |
|---|---|---|---|
| A. | **CASH FLOW FROM OPERATING ACTIVITIES** | | |
| | **Net Profit before tax** | **1,118.99** | **592.90** |
| | ***Adjustments for :*** | | |
| | Depreciation/ Amortisation | 246.96 | 232.76 |
| | Loss/(profit) on Sale of Fixed Assets | 10.65 | 0.34 |
| | Interest income | (1.80) | (0.49) |
| | Finance Cost | 73.22 | 72.02 |
| | Impairement of Investment | - | 1.00 |
| | Remeasurement of net defined benefit plans | - | - |
| | Net (gain) / loss on foreign exchange fluctuation | 37.55 | 33.29 |
| | Expenses no longer payable written back | (5.12) | (3.99) |
| | Provision for Doubtful Debts | 2.62 | 14.56 |
| | **Total Adjustments** | **364.08** | **349.50** |
| | **Operating profit before working capital changes** | **1,483.07** | **942.40** |
| | ***Changes in working capital:*** | | |
| | (Increase)/ Decrease in trade receivables and Other receivables | (816.80) | (374.13) |
| | (Increase)/ Decrease in inventories | (15.38) | (518.71) |
| | (Increase)/ Decrease in other current financial assets | (128.96) | (29.03) |
| | Increase/ (Decrease) in trade payables | 113.34 | 256.09 |
| | Increase/ (Decrease) in other Financial liabilities | 2.56 | (2.35) |
| | Increase/ (Decrease) in other current liabilities | 134.17 | 27.69 |
| | Increase/ (Decrease) in other provisions | 23.46 | 74.55 |
| | **Cash generated from operations** | **795.46** | **376.50** |
| | Income taxes refunded / (paid), net | (300.76) | (152.94) |
| | **Net cash generated from operating activities** | **494.70** | **223.57** |
| B. | **CASH FLOW FROM INVESTING ACTIVITIES** | | |
| | Purchase of Property, Plant and Equipment | (389.99) | (225.89) |
| | Proceeds from sale of Property, Plant and Equipment | 3.87 | 0.18 |
| | Investment in Subsidiary Company | - | (0.49) |
| | Interest received | 1.80 | 0.49 |
| | **Net cash (used in) / generated from investing activities** | **(384.32)** | **(225.72)** |
| C. | **CASH FLOW FROM FINANCING ACTIVITIES** | | |
| | Receipt from Borrowing | 31,035.20 | 22,090.56 |
| | Repayment of Borrowing | (30,945.09) | (21,900.72) |
| | Finance costs paid | (71.35) | (70.15) |
| | Final Dividend paid | (17.40) | (17.40) |
| | **Net cash used in financing activities** | **1.36** | **102.30** |
| D. | **EXCHANGE RATE DIFFERENCE** | **(37.55)** | **(33.29)** |
| | **INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS** | **74.19** | **66.86** |
| | Cash and cash equivalents at the beginning of the year | 166.51 | 99.65 |
| | **Cash and cash equivalents at the end of the year (Refer Note 11)** | **240.70** | **166.51** |

**Notes to the statement of cash flows and disclosure of non cash transactions**

1) The statement of cashflow is prepared in accordance with the format prescribed as per Ind-AS 7.

2) In Part-A of the Cash Flow Statement, figures in brackets indicate deductions made from the Net Profit for deriving the net cash flow from operating activities. In Part-B and Part-C, figures in brackets indicate cash outflows.

As per our attached report of even date
**For C N K & Associates LLP**
Chartered Accountants
Firm Registration No.: 101961W/W100036

**Diwakar Sapre**
Partner
Membership No. 040740

Place: Navi Mumbai
Date: June 15, 2026

For and on behalf of the Board of Directors of
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Chief Financial Officer & Finance Director

**Kiran Agrawal**
Company Secretary
Membership No. A13188

Place: Navi Mumbai
Date : June 15, 2026

## Statement of Changes in Equity for the year ended March 31, 2026

**A. (i) Equity Share Capital as at March 31, 2026:** (₹ in Millions)

| Particulars | Balance at the beginning of the current reporting year | Changes in Equity Share Capital due to prior year errors | Restated balance at the beginning of the current reporting year | Changes in equity share capital during the current year | Balance at the end of the current reporting year |
|---|---|---|---|---|---|
| **Equity Share Capital** | 116.00 | - | 116.00 | - | 116.00 |

**A. (ii) Equity Share Capital as at March 31, 2025:** (₹ in Millions)

| Particulars | Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|---|---|---|---|---|---|
| **Equity Share Capital** | 116.00 | - | 116.00 | - | 116.00 |

(Refer Note 15)

**B. Other Equity**

**B. (i) Other Equity as at March 31, 2026:** (₹ in Millions)

| Particular | Reserves and Surplus | | | | Total |
|---|---|---|---|---|---|
| | Capital Redemption Reserve | Securities Premium | General Reserve | Retained Earnings Including Other Comprehensive Income | |
| **Balance at March 31, 2025** | - | - | - | 3,558.70 | 3,558.70 |
| Profit for the year | - | - | - | 831.24 | 831.24 |
| Other Comprehensive Income | - | - | - | (3.49) | (3.49) |
| Final Dividend Paid for FY 24-25 | - | - | - | (17.40) | (17.40) |
| **Balance at March 31, 2026** | - | - | - | 4,369.05 | 4,369.05 |

**B. (ii) Other Equity as at March 31, 2025:** (₹ in Millions)

| Particular | Reserves and Surplus | | | | Total |
|---|---|---|---|---|---|
| | Capital Redemption Reserve | Securities Premium | General Reserve | Retained Earnings Including Other Comprehensive Income | |
| **Balance at March 31, 2024** | - | - | - | 3,142.47 | 3,142.47 |
| Profit for the year | - | - | - | 435.72 | 435.72 |
| Other Comprehensive Income | - | - | - | (2.09) | (2.09) |
| Final Dividend Paid for FY 23-24 | - | - | - | (17.40) | (17.40) |
| **Balance at March 31, 2025** | - | - | - | 3,558.70 | 3,558.70 |

Statement on Material Accounting Policies and Notes to the Financial Statement are an integral part of this Statement of Changes in Equity.

Refer Note 16 for nature and purpose of reserves

See accompanying Notes from 1 to 52 forming part of the Financial Statements

As per our attached report of even date
**For C N K & Associates LLP**
Chartered Accountants
Firm Registration No.: 101961W/W100036

**Diwakar Sapre**
Partner
Membership No. 040740

Place: Navi Mumbai
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For and on behalf of the Board of Directors of
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Company Secretary
Membership No. A13188

Place: Navi Mumbai
Date : June 15, 2026

## Notes forming part of Financial Statements for the year ended March 31, 2026

### 1. Corporate Information

Prasol Chemicals Limited (formerly known as Prasol Chemicals Private Limited) ("the Company") is a limited Company incorporated in India. It was originally incorporated as Prachi Poly Products Private Limited on January 24, 1992. It was converted to Prachi Poly Products Limited on January 10, 1995. The name was then changed to Prasol Chemicals Limited on March 26, 2007. Later, on June 5, 2017, the name was changed to Prasol Chemicals Private Limited and changed to Prasol Chemicals Limited with effect from February 4, 2022.

The registered office is located at Prasol House, Plot No. A - 17/2/3, T. T. C. Industrial Area, Khairane M.I.D.C., Navi Mumbai, Thane 400710, Maharashtra, India.

The Company is engaged in the Business of Manufacturing and Trading of Speciality Chemicals. The Company's operations are located at Khopoli and Mahad in the state of Maharashtra, India.

The Company has started process to expand operations at its land at Sayakha, Gujarat.

### 1.1 Basis of Preparation:

The Financial Statements comprise of the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), Cash Flow Statement, Statement of Changes in Equity and Material Accounting Policies and other explanatory information.

The Financial Statements for the year ended March 31 2026 are prepared under Indian Accounting Standards (Ind-AS).

The Company's presentation and functional currency is Indian rupees. All amounts in these Financial Statements, except per share amounts and unless as stated otherwise, have been rounded off to two decimals and have been presented in Millions.

**Authorization of Financial Statements:**

The Financial Statements for the year ended March 31, 2026 were authorized for issue in accordance with a resolution of the Board of Directors in its meeting held on June 15, 2026.

**Historical cost convention**

The Financial Statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities are measured at fair value.
- Defined benefit plans where plan assets are measured at fair value.

**Use of Estimates**

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the accounts and reported amounts of income and expenses during the year. The management believes that the estimates used in the preparation of financial statements are prudent and reasonable. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

Actual results could differ from those estimates. The most significant techniques for estimation are described in the accounting policies below. Critical accounting judgments and the key sources of estimation or uncertainty in applying the Company's accounting policies arise in relation to property, plant and equipment, impairment of assets, current asset provisions, deferred tax, retirement benefits and provisions.

Information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as below:

- Estimates of useful lives and residual value of Property, Plant and Equipment and Intangible assets -Refer Notes 2.1 to 2.3 and Notes 3 and 4;

## Notes forming part of Financial Statements for the year ended March 31, 2026

- Valuation of Inventories-Refer Notes 2.5 and 9;
- Measurement of Defined Benefit Obligations and actuarial assumptions-Refer Note 41;
- Estimation of current tax expenses and deferred tax - refer Note 39; and
- Provisions and Contingencies-refer Note 35.
- Fair Value of Financial Instruments – Refer Note 2.12

**2. Material Accounting Policy Information**

**2.1 Property, Plant and Equipment**

**Recognition and measurement**

Freehold land is carried at historical cost. All other items of Property, Plant and Equipment (PPE) are stated at cost, less accumulated depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The cost of an item of PPE comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure including brokerage and start-up costs on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use.

**Subsequent Expenditure**

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

**Derecognition**

An item of PPE and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its continued use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the the Statement of Profit & Loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of PPE are reviewed at each financial year end and changes if any are accounted in line with revisions to accounting estimates.

**Depreciation**

Depreciation on PPE is provided as per straight line method as per the useful life prescribed in Schedule II of the Companies Act, 2013.

Depreciation on additions/deductions to PPE made during the year is provided on a pro-rata basis from / up to the date of such additions /deductions, as the case may be.

When significant parts of PPE are required to be replaced at intervals, company depreciates them separately based on their specific useful lives.

**2.2 Capital Work in Progress**

Capital work in progress is stated at cost, net of impairment losses, if any. Cost comprises of the cost of items of PPE not yet commissioned, incidental pre-operative expenses and borrowing costs.

**2.3 Intangible Assets**

**Recognition and measurement**

Intangible asset consisting of computer software and product registrations are carried at cost, net of accumulated amortization and accumulated impairment losses, if any.

## Notes forming part of Financial Statements for the year ended March 31, 2026

**Derecognition**

An Intangible Asset is derecognized upon its disposal or when no future economic benefits are expected from its continued use. Any gain or loss arising on de-recognition of the Intangible asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit & Loss when the asset is derecognized.

**Amortisation**

Intangible assets are amortised over a period of 5 years on Straight Line Method. The amortization method and estimated useful lives are reviewed at the end of each reporting period and changes if any are accounted in line with revisions to accounting estimates.

### 2.4 Impairment of Non-Financial Assets

Non-financial assets other than inventories and deferred tax assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. The recoverable amount is higher of the Assets or Cash-Generating Units (CGU's) (i) fair value less costs of disposal and (ii) value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using an appropriate discounting rate. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. In such cases, the Recoverable amount is determined for the Cash Generating Unit (CGU) to which the assets belong.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

**Reversal of Impairment of assets**

Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss under the head 'Other expenses'.

### 2.5 Inventories

Cost of Inventories includes all charges in bringing the inventories to their present location and condition, including octroi and other levies, transit insurance and receiving charges and excluding rebates and Discounts, if any. Net Realizable Value is the estimated selling price in the ordinary course of business.

Inventories other than Scrap are valued at lower of cost and net realizable Value.

### 2.6 Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**As a lessee**

(A) Lease Liability

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate.

(B) Right-of-use assets

Initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

## Notes forming part of Financial Statements for the year ended March 31, 2026

**Subsequent measurement**

(A) Lease Liability

Company measure the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) re-measuring the carrying amount to reflect any reassessment or lease modifications.

(B) Right-of-use assets

While being subsequently measured at cost less accumulated depreciation and impairment losses, Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the under lying asset.

**Impairment**

Right of use assets are evaluated for recoverability whenever events or Changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the Recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

**Short term lease:**

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the company elected to apply short term lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

The Company amortizes cost of the underlying asset over the contractual lease period.

**2.7 Revenue**

The Company recognises revenue when the same can be reliably measured and it is probable that future economic benefits will flow to the entity.

Revenue from sale of products:

Revenue from sale of products is recognised on satisfaction of performance obligations by the Company on transfer of control of ownership attached to the goods to customers. The revenue is measured at the amount of transaction price net of returns,freight, commission,applicable discounts and allowances offered by the Company as a part of the contract.

**Revenue from contracts with customers:**

Revenue from contracts with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services (assets) to the customers. The Company recognises revenue over the period of time, as performance obligations are satisfied over time due to continuous transfer of control to the customer. Such contracts are generally accounted for as a single performance obligation as it involves integration of goods and services. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer.

Sales includes transport and other costs recovered separately from the customers.

**Discounts, Rebates & Incentive to Customers:**

The Company accounts for volume discounts, rebates and pricing incentives to customers based on the ratable allocation of the discounts / rebates to each of the underlying performance obligation that corresponds to the progress made by the customer towards earning that discount, rebate

## Notes forming part of Financial Statements for the year ended March 31, 2026

or incentive. The Company also recognises the liability based on the past performance of the customers fulfilling the criteria to get the discounts, rebates or incentives and the future outflow of the same is probable. If it is probable that the criteria for the discounts will not be met or if the amounts thereof cannot be estimated reliably, then the discount is not recognised until the payment is probable and the amount can be estimated reliably. The Company accounts for discounts, rebates and pricing incentives in the year of payment where customer qualifies for the same and wherein provision was not made due to company's inability to make reliable estimates based on the available data at reporting date.

**Income from Export incentives**

Income from export incentives such as Duty Drawback, RoDTEP etc, are recorded on accrual basis in accordance with the terms of the respective schemes.

**Interest income**

Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

**Insurance Claims**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

**Other Income**

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

### 2.8 Foreign Currency Transactions

**Monetary Items:**

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss either as profit or loss on foreign currency transaction and translation.

**Non – Monetary items**

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

### 2.9 Provisions, Contingent Liabilities and Commitments

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

The expenses relating to a provision is presented in the Statement of Profit and Loss net of reimbursements, if any.

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

## Notes forming part of Financial Statements for the year ended March 31, 2026

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

### 2.10 Government Grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognized in Statement of Profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

Government grants relating to Property Plant and Equipment are presented as deferred income and are credited to the Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset.

### 2.11 Fair Value measurement

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

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities

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

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

For assets and liabilities that are recognised in The Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

### 2.12 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as Foreign Exchange Forward Contracts, Commodity Future Contracts, Interest Rate Swaps, Currency Options and embedded derivatives in the host contract.

## Notes forming part of Financial Statements for the year ended March 31, 2026

Financial instruments also cover contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

Derivatives are carried at fair value. Fair value of Foreign Currency Forward Contracts are determined using the fair value reports provided by bank.

### 2.12 (a) Financial Assets

**Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**Subsequent measurement**

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

**De-recognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's Balance Sheet) when

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
- The Company has transferred substantially all the risks and rewards of the asset, or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

**Impairment of financial assets**

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

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

## Notes forming part of Financial Statements for the year ended March 31, 2026

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

### 2.12(b) Financial Liabilities

**Initial recognition and measurement**

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

**Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

**Financial Liabilities at Fair Value through Profit or Loss (FVTPL)**

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

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

**Financial Liabilities at amortised cost**

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

**Derecognition**

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

### 2.13 Derivative financial instruments

The Company uses derivative financial instruments to manage exposure on account of fluctuation in interest rate and foreign exchange rates on amounts payable and receivable in foreign exchange. Such derivative financial instruments are not recognized in the financial statements. However, the difference between the rate at the end of the year to which the Financial Statements relate to and the rate at the time of maturity of the contract is recognized in Statement of Profit and Loss.

## Notes forming part of Financial Statements for the year ended March 31, 2026

Any gains or losses arising from changes in the fair value of derivatives are taken through Statement of Profit and Loss.

### 2.14 Borrowings

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

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

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability of at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statement for issue, not to demand payment as a consequence of the breach.

### 2.15 Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Borrowing costs directly attributable to the construction or production of a qualifying asset are capitalised during the period of time that is required for 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.

### 2.16 Employee benefits:

**Short term employee benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the services. These benefits include compensated absences such as paid annual leave, and performance incentives.

**Long term employee benefits**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation determined actuarially by using Projected Unit Credit Method at the balance sheet date.

**Defined-contribution plans**

These are plans in which the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to the employees' provident fund and superannuation fund. The Company's payments to the defined-contribution plans are reported as expenses during the period in which the employees perform the services that the payment covers.

## Notes forming part of Financial Statements for the year ended March 31, 2026

**Defined-benefit plans**

For defined benefit retirement plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit and loss. Past service cost is recognized as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognized, whichever is earlier. The service cost, net interest on the net defined benefit liability/ (asset) is treated as a net expense within employment cost. The retirement benefit obligation recognized in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value plan assets.

**Other long - term employment benefits**

Liability towards other long term employee benefits such as leave encashment is determined on actuarial valuation by qualified actuary by using Projected Unit Credit method.

The current service cost of other long terms employee benefits, recognized in the Statement of Profit and Loss as part of employee benefit expense, reflects the increase in the obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the Statement of Profit and Loss. The interest cost is calculated by applying the discount rate to the balance of the obligation. This cost is included in employee benefit expense in the Statement of Profit and Loss. Re-measurements are recognized in the Statement of Profit and Loss.

### 2.17 Taxes on Income

**Current and Deferred Tax**

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

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

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

### 2.18 Earnings per share

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

## Notes forming part of Financial Statements for the year ended March 31, 2026

### 2.19 Cash and Cash equivalents

For the purpose of presentation in Statement of Cash Flow, cash and cash equivalents includes cash on hand, deposit held at call with financial institution, other short term, highly liquid investments with original maturities of 3 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank Overdrafts are shown within borrowings in current liabilities in Balance sheet.

### 2.20 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information

### 2.21 Dividend

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and Interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

**Recent Amendments**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements. On May 9, 2025, MCA notified the amendments to Ind AS 21 - Effects of Changes in Foreign Exchange Rates. These amendments aim to provide clearer guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable. The amendments are effective for annual periods beginning on or after April 1, 2025. The Company does not have any siginificant impact of these amendments on its financial statements.

Ministry of Corporate Affairs ("MCA") notifies new amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2026, MCA has notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, Ind AS 1 - Presentation of Financial Statements, Ind AS 7 - Statement of Cash Flows, Ind AS 107 - Financial Instruments: Disclosures and Ind AS 12, International Tax Reform – Pillar Two Model Rules. The company has reviewed the new pronouncements and based on its evaluation given necessary impact (including additional disclosures) as applicable.

## Notes forming part of Financial Statements for the year ended March 31, 2026

**Note 3 : Property, Plant and Equipment**

(₹ in Millions)

| Particulars | Freehold land | Leasehold land | Factory building | Other buildings | Plant & Equipment | Furniture & Fixtures | Vehicles | Office Equipment | Computers | Right to use assets | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Gross carrying Amount** | | | | | | | | | | | |
| **As at March 31, 2024** | **191.22** | **78.52** | **531.41** | **29.42** | **2,909.38** | **15.63** | **61.09** | **64.30** | **17.38** | **6.84** | **3,905.19** |
| Additions | - | 2.97 | 10.82 | - | 203.22 | 1.16 | 0.01 | 2.22 | 6.92 | - | 227.32 |
| Deletions | - | - | - | - | 0.79 | - | - | 0.02 | - | - | 0.81 |
| **As at March 31, 2025** | **191.22** | **81.49** | **542.23** | **29.42** | **3,111.81** | **16.79** | **61.10** | **66.50** | **24.30** | **6.84** | **4,131.70** |
| Additions | - | - | 11.52 | - | 98.63 | 0.82 | 0.85 | 1.25 | 6.03 | - | 119.10 |
| Deletions | - | - | - | - | 40.04 | 0.34 | 0.52 | 0.81 | 6.10 | - | 47.81 |
| **As at March 31, 2026** | **191.22** | **81.49** | **553.75** | **29.42** | **3,170.40** | **17.27** | **61.43** | **66.94** | **24.23** | **6.84** | **4,202.99** |
| **Accumulated Depreciation/ Amortisation** | | | | | | | | | | | |
| **As at March 31, 2024** | **-** | **5.30** | **58.37** | **1.90** | **537.38** | **5.36** | **14.63** | **25.81** | **10.56** | **1.08** | **660.39** |
| For the year | - | 0.84 | 18.03 | 0.50 | 186.42 | 1.62 | 7.12 | 8.70 | 3.52 | 0.48 | **227.23** |
| Deletions | - | - | - | - | 0.28 | - | - | 0.01 | - | - | **0.29** |
| **As at March 31, 2025** | **-** | **6.14** | **76.40** | **2.40** | **723.52** | **6.98** | **21.75** | **34.50** | **14.08** | **1.56** | **887.33** |
| For the year | - | 0.86 | 18.32 | 0.50 | 196.57 | 1.70 | 6.98 | 8.16 | 5.19 | 0.48 | **238.76** |
| Deletions | - | - | - | - | 25.98 | 0.30 | 0.40 | 0.76 | 5.75 | | **33.19** |
| **As at March 31, 2026** | **-** | **7.00** | **94.72** | **2.90** | **894.11** | **8.38** | **28.33** | **41.90** | **13.52** | **2.04** | **1,092.90** |
| **Net Carrying amount** | | | | | | | | | | | |
| **As at March 31, 2025** | **191.22** | **75.35** | **465.83** | **27.02** | **2,388.29** | **9.81** | **39.35** | **32.00** | **10.22** | **5.28** | **3,244.37** |
| **As at March 31, 2026** | **191.22** | **74.49** | **459.03** | **26.52** | **2,276.29** | **8.89** | **33.10** | **25.04** | **10.71** | **4.80** | **3,110.09** |

(i) All title deeds of immovable property are in the name of the Company.

(ii) The lease term in respect of assets acquired under finance leases and classifed under Leasehold Land is within the range of 95 to 99 years.

(iii) For Assets pledged as a security against borrowings, Refer Notes 17 and 20.

(iv) Interest on borrowings have been capitalised ₹ 9.49 Mn (FY 2024-25: ₹ 2.30 Mn)

(v) Salary Expenses have been capitalised ₹ 9.53 Mn (FY 2024-25: ₹ 13.44 Mn)

(vi) The Company has not revalued any items of Property, Plant and Equipment during the current period or previous year.

## Notes forming part of Financial Statements for the year ended March 31, 2026

### 3. Capital work in progress

(₹ in Millions)

| Particulars | Amount |
|---|---|
| **Gross carrying value** | |
| **As at March 31, 2024** | **216.65** |
| Additions | 224.60 |
| Capitalised during the year | 229.08 |
| **As at March 31, 2025** | **212.17** |
| Additions | 355.24 |
| Capitalised during the year | 96.57 |
| **As at March 31, 2026** | **470.84** |

(i) Interest on borrowings have been capitalised ₹ 5.01 Mn (FY 2024-25: ₹ 0.45 Mn)

(ii) Salary Expenses have been capitalised ₹16.45 Mn (FY 2024-25: ₹ 16.08 Mn)

(iii) The Company has revalued items of slow moving/non moving Capital work in progress during the year by ₹ 1.77 Mn (FY 2024-25: ₹ 1.63 Mn).

(iv) Ageing Schedule for Capital-work-in progress for the year ended March 31,2026:

(₹ in Millions)

| Capital work in progress | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|
| Projects in progress | 356.88 | 95.24 | 3.79 | 14.92 | 470.84 |

Ageing Schedule for Capital-work-in progress for the year ended March 31,2025:

(₹ in Millions)

| Capital work in progress | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|
| Projects in progress | 181.36 | 9.87 | 11.59 | 9.35 | 212.17 |

For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan for the year ended March 31,2026:

(₹ in Millions)

| CWIP | To be completed in | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| **Projects in progress** | **-** | **-** | **1.39** | **2.62** | **4.01** |
| Project 1 | - | - | 1.39 | 1.55 | 2.94 |
| Project 2 | - | - | - | 1.07 | 1.07 |
| **Projects temporarily suspended** | **-** | **-** | **0.11** | **-** | **0.11** |
| Project I | - | - | 0.11 | - | 0.11 |

For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan for the year ended March 31,2025:

(₹ in Millions)

| CWIP | To be completed in | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| **Projects in progress** | **-** | **1.39** | **2.30** | **0.32** | **4.01** |
| Project 1 | - | 1.39 | 1.23 | 0.32 | 2.94 |
| Project 2 | - | - | 1.07 | - | 1.07 |
| **Projects temporarily suspended** | **-** | **0.11** | **-** | **-** | **0.11** |
| Project I | | 0.11 | - | - | 0.11 |

## Notes forming part of Financial Statements for the year ended March 31, 2026

### 4. Other Intangible Assets

(₹ in Millions)

| Particulars | Computer Software | Product Registration | Total Intangible Assets |
|---|---|---|---|
| **Gross Carrying Amount** | | | |
| **As at March 31, 2024** | **7.15** | **39.43** | **46.58** |
| Additions | 1.97 | 1.42 | 3.39 |
| Deletions | - | - | - |
| **As at March 31, 2025** | **9.12** | **40.85** | **49.97** |
| Additions | 0.04 | 22.83 | 22.87 |
| Deletions | 0.40 | - | 0.40 |
| **As at March 31, 2026** | **8.76** | **63.68** | **72.44** |
| **Accumulated Amortisation** | | | |
| **As at March 31, 2024** | **5.53** | **22.55** | **28.08** |
| For the year | 0.28 | 5.25 | 5.53 |
| **As at March 31, 2025** | **5.81** | **27.80** | **33.61** |
| Additions | 0.60 | 7.60 | 8.20 |
| Deletions | 0.38 | - | 0.38 |
| **As at March 31, 2026** | **6.03** | **35.40** | **41.43** |
| **Net Carrying amount** | | | |
| **As at March 31, 2025** | **3.31** | **13.05** | **16.36** |
| **As at March 31, 2026** | **2.73** | **28.28** | **31.01** |

(i) There are no Intangible assets under development as on March 31, 2026 and March 31, 2025.

(ii) The Company has not revalued any items of intangible assets during the current period or previous year.

### 5. Investments

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| - Investment In Subsidiary Company * | - | 1.00 |
| Less: Provision for Impairment | - | (1.00) |
| **TOTAL** | **-** | **-** |

* The Subsidiary company applied for voluntary strike off on April 28, 2025 which had been publicly approved on July 22, 2025.

**Note - Disclosure pursuant to Ind AS 27 - "Separate Financial Statements"**

**Effective Proportion of ownership (%)**

(₹ in Millions)

| Name of Company and principal place of business | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Prasol Aromatics Private Limited, Gujarat | - | 100% |

### 6. Other Financial Assets

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Considered good – Unsecured | | |
| - Deposit with Banks | - | 0.54 |
| - Security Deposits | 25.18 | 23.86 |
| **TOTAL** | **25.18** | **24.40** |

## Notes forming part of Financial Statements for the year ended March 31, 2026

### 7. Other Non-Current Assets

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Capital Advances * | 13.19 | 2.06 |
| Prepaid Expenses | 0.33 | 0.30 |
| **Total** | **13.52** | **2.36** |

Refer Note 36 for Capital Commitments.

*Capital Advances Movement

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Capital Advances | 13.19 | 11.26 |
| Less : Provision | - | (9.20) |
| **Total** | **13.19** | **2.06** |

**Reconciliation/Movement of Provision:**

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Balance at the beginning of the year | 9.20 | - |
| Add: Provision/(write back) for the year | (9.20) | 9.20 |
| **Provision at the end of the year** | **-** | **9.20** |

### 8. Other Tax Assets

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Advance Tax paid ( Net of provisions for tax) | - | 1.41 |
| **Total** | **-** | **1.41** |

### 9. Inventories

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **(Valued at lower of cost and net realisable value)** | | |
| Raw Materials | 649.27 | 753.04 |
| Work in progress | - | - |
| Finished Goods | 305.23 | 379.40 |
| Semi Finised Goods | 247.08 | 133.57 |
| Stock - in - Trade | 206.69 | 149.56 |
| Consumable, Stores and Spares | 56.99 | 56.81 |
| **Others** | | |
| Packing Materials | 27.59 | 18.87 |
| Diesel , Steam Coal , Fuel & Others | 39.53 | 25.75 |
| **TOTAL** | **1,532.38** | **1,517.00** |

**Footnote:**

(i) The cost of inventories recognised as an expense during the year is ₹ 47.96 Mn (FY 2024-25: ₹ 8.50 Mn).

(ii) For mode of valuation of inventories refer Note 2.5.

(iii) Raw Materials stock includes Raw Material at Port ₹ 261.77 Mn (FY 2024-25: ₹ 301.91 Mn) and Raw Material in Transit of ₹ 11.41 Mn (FY 2024-25: ₹ 49.40 Mn).

## Notes forming part of Financial Statements for the year ended March 31, 2026

### 10. Trade Receivables

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Trade receivables – Considered Good Secured** | | |
| - From Related parties | - | - |
| - From Others | - | - |
| **Trade receivables – Considered Good Unsecured** | | |
| - From Related parties | 0.12 | 0.15 |
| - From Others | 2,787.29 | 1,965.30 |
| **Less : Expected Credit loss allowance** | (2.55) | (0.98) |
| **Trade Receivables – having significant increase in credit risk** | | |
| - From Related parties | - | - |
| - From Others | 3.93 | 13.07 |
| Less : Expected Credit loss allowance | (1.93) | (4.86) |
| **Trade Receivables - Credit Impaired** | | |
| - From Others | 5.09 | 1.12 |
| Less : Expected Credit loss allowance | (5.09) | (1.12) |
| **Total** | **2,786.86** | **1,972.68** |

**Trade Receivables ageing schedule as at March 31, 2026**

(₹ in Millions)

| Particulars | Outstanding for following years from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not Due | Less than 6 months | 6 months -1 year | 1-2 Years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables — considered good | 2,229.47 | 525.26 | 28.71 | 2.22 | 0.49 | 1.27 | 2,787.42 |
| Less : Expected Credit loss allowance | - | - | (1.96) | (0.33) | (0.07) | (0.19) | (2.55) |
| (ii) Undisputed Trade Receivables — which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables — credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables— considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables — which have significant increase in credit risk | - | - | - | - | 1.96 | 1.97 | 3.93 |
| Less : Expected Credit loss allowance | - | - | - | - | (0.96) | (0.97) | (1.93) |
| (vi) Disputed Trade Receivables — credit impaired | - | - | 1.28 | | 2.79 | 1.02 | 5.09 |
| Less : Expected Credit loss allowance | - | - | (1.28) | - | (2.79) | (1.02) | (5.09) |

## Notes forming part of Financial Statements for the year ended March 31, 2026

**Trade Receivables ageing schedule as at March 31, 2025**

(₹ in Millions)

| Particulars | Outstanding for following years from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not Due | Less than 6 months | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables — considered good | 1,728.64 | 227.45 | 4.41 | 1.65 | 3.24 | 0.06 | 1,965.45 |
| Less : Expected Credit loss allowance | - | - | (0.23) | (0.25) | (0.49) | (0.01) | (0.98) |
| (ii) Undisputed Trade Receivables — which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables — credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables— considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables — which have significant increase in credit risk | - | - | 6.04 | 5.06 | 1.97 | - | 13.07 |
| Less : Expected Credit loss allowance | | | (0.36) | (2.53) | (1.97) | | (4.86) |
| (vi) Disputed Trade Receivables — credit impaired | | | | | 1.12 | | 1.12 |
| Less : Expected Credit loss allowance | - | - | - | - | (1.12) | - | (1.12) |

**(ii) Expected credit loss:**

The Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward- looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward-looking estimates are analysed.

**Reconciliation of Credit loss allowance**

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Balance at the beginning of the year | 6.96 | 2.09 |
| Add: Allowance for expected credit loss during the year | 2.62 | 4.87 |
| **Expected Credit Loss Allowance at the end of the year** | **9.58** | **6.96** |

**11. Cash and cash equivalents**

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Balances with banks in current accounts | 240.16 | 166.15 |
| Cash in hand | 0.54 | 0.36 |
| **Total** | **240.70** | **166.51** |

## Notes forming part of Financial Statements for the year ended March 31, 2026

### 12. Bank Balances other than cash and cash equivalents

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Bank Deposits with original maturity more than 3 months but less than 12 months | 0.60 | 0.04 |
| Margin money deposits (restricted, held as lien against bank guarantees)* | 0.70 | 0.70 |
| **Total** | **1.30** | **0.74** |

*Includes Fixed Deposit of ₹ 0.70 Mn (March 31, 2025 : ₹ 0.70 Mn) held under lien with banks for the purpose of obtaning Bank Guarantee.

### 13. Other Financial Assets

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Advance Recoverable in cash or in kind | 1.62 | 1.41 |
| Security Deposits | 1.51 | 3.98 |
| Others | 3.78 | 5.63 |
| **Total** | **6.91** | **11.02** |

### 14. Other Current Assets

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Balances with Governmental Authorities | 79.93 | 23.91 |
| Advance to Suppliers * | 55.59 | 29.14 |
| Prepaid Expenses | 7.50 | 5.31 |
| IPO Expenses (Refer Note 50) | 29.22 | 3.27 |
| Others | 1.72 | 0.22 |
| **Total** | **173.96** | **61.85** |

***Advance to Suppliers**

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Advance to Suppliers | 56.83 | 29.64 |
| Less : Provision during the year | (1.24) | (0.50) |
| **Total** | **55.59** | **29.14** |

**Reconciliation/Movement of Provision:**

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Balance at the beginning of the year | 0.50 | - |
| Add: Provision during the year | 0.74 | 0.50 |
| **Provision at the end of the year** | **1.24** | **0.50** |

## Notes forming part of Financial Statements for the year ended March 31, 2026

### 15. Equity share capital

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Authorised equity share capital**<br>19,00,00,000 equity shares of ₹ 2 each<br>(FY 2024-25: 19,00,00,000 equity shares of ₹ 2 each) | 380.00 | 380.00 |
| **Total** | **380.00** | **380.00** |
| **Issued, subscribed and paid-up share capital**<br>5,80,00,000 equity shares of ₹ 2 each<br>(FY 2024-25: 5,80,00,000 equity shares of ₹ 2 each) | 116.00 | 116.00 |
| **Total** | **116.00** | **116.00** |

**(i) Movements in Equity Share Capital**

(₹ in Millions)

| Particulars | As at March 31, 2026 | |
|---|---|---|
| | Number of shares | Amount |
| **At the beginning of the year** | 5,80,00,000 | 116.00 |
| Issued during the year | - | - |
| Increase in shares on account of subdivision | - | - |
| Bonus Shares issued during the year | - | - |
| **Outstanding at the end of the year** | 5,80,00,000 | 116.00 |

**(i) Movements in Equity Share Capital**

(₹ in Millions)

| Particulars | As at March 31, 2025 | |
|---|---|---|
| | Number of shares | Amount |
| **At the beginning of the year** | 5,80,00,000 | 116.00 |
| Issued during the year | - | - |
| Increase in shares on account of subdivision | - | - |
| Bonus Shares issued during the year | - | - |
| **Outstanding at the end of the year** | 5,80,00,000 | 116.00 |

**(ii) Terms and rights attached to equity shares**

1. The Company has only one class of equity shares having par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

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

**(iii) Shares held by holding Company /Ultimate Holding Company, their Subsidiaries and Associates: Nil**

**(iv) Details of shareholders holding more than 5% shares in the Company:**

| Name of the Shareholder | As At March 31, 2026 | |
|---|---|---|
| | Number of shares | % of holding |
| Usha Rajnikant Shah | 74,80,000 | 12.90% |
| Gaurang Natwarlal Parikh | 52,00,000 | 8.97% |
| Nishith Rasiklal Dharia | 49,80,000 | 8.59% |
| Dipti Nalin Parikh | 42,00,000 | 7.24% |
| Sandhya Nishith Shah | 45,20,000 | 7.79% |
| Bhisham Kumar Gupta | 32,00,000 | 5.52% |

## Notes forming part of Financial Statements for the year ended March 31, 2026

| Name of the Shareholder | As At March 31, 2025 | |
|---|---|---|
| | Number of shares | % of holding |
| Usha Rajnikant Shah | 74,80,000 | 12.90% |
| Gaurang Natwarlal Parikh | 52,00,000 | 8.97% |
| Nishith Rasiklal Dharia | 49,80,000 | 8.59% |
| Dipti Nalin Parikh | 42,00,000 | 7.24% |
| Sandhya Nishith Shah | 40,20,000 | 6.93% |
| Bhisham Kumar Gupta | 32,00,000 | 5.52% |

**(v) For the 5 years immediately preceding the date at which Balance sheet is prepared**

(a) No shares have been allotted as fully paid up pursuant to contract without payment being received in cash.

(b) On January 18,2022, the Company issued Bonus shares in the ratio of 3:1. Accordingly 4,35,00,000 bonus shares were issued by capitalising its Free reserves of ₹ 87.00 Mn.

(c) None of the shares are reserved for issue against contract / commitments for sale of shares or disinvestment.

**(vi) Shares held by Promoters and Promoter group:**

| Sr. No. | Name | As at March 31,2026 | | | As at March 31,2025 | | |
|---|---|---|---|---|---|---|---|
| | | No. of Shares | % of holding | % of Change | No. of Shares | % of holding | % of Change |
| 1 | Nishith Rajnikant Shah | 1,00,000 | 0.17% | 0.00% | 1,00,000 | 0.17% | 0.00% |
| 2 | Gaurang Natwarlal Parikh | 52,00,000 | 8.97% | 0.00% | 52,00,000 | 8.97% | 0.00% |
| 3 | Dhaval Nalin Parikh | 18,00,000 | 3.10% | 0.00% | 18,00,000 | 3.10% | 0.00% |
| 4 | Pankil Nishith Dharia | 20,000 | 0.03% | 0.00% | 20,000 | 0.03% | 0.00% |
| 5 | Sachin Jatin Parikh | 20,00,000 | 3.45% | 0.00% | 20,00,000 | 3.45% | 0.00% |
| 6 | Rakesh Gupta | 2,00,000 | 0.34% | 0.00% | 2,00,000 | 0.34% | 0.00% |
| 7 | Nishith Rasiklal Dharia | 49,80,000 | 8.59% | 0.00% | 49,80,000 | 8.59% | 0.00% |
| 8 | Kunal Tushar Dharia | 18,00,000 | 3.10% | 0.00% | 18,00,000 | 3.10% | 0.00% |
| 9 | Suketu Navinchandra Parikh | 3,50,000 | 0.60% | (0.09%) | 4,00,000 | 0.69% | 0.00% |
| 10 | Usha Rajnikant Shah | 74,80,000 | 12.90% | 0.00% | 74,80,000 | 12.90% | 0.00% |
| 11 | Dipti Nalin Parikh | 42,00,000 | 7.24% | 0.00% | 42,00,000 | 7.24% | 0.00% |
| 12 | Sandhya Nishith Shah | 45,20,000 | 7.79% | 0.86% | 40,20,000 | 6.93% | 0.00% |
| 13 | Bhisham Kumar Gupta | 32,00,000 | 5.52% | 0.00% | 32,00,000 | 5.52% | 0.00% |
| 14 | Tushar Natverlal Dharia | 24,00,000 | 4.14% | 0.00% | 24,00,000 | 4.14% | 0.00% |
| 15 | Sonal Nishith Dharia | 20,79,000 | 3.58% | 0.00% | 20,79,000 | 3.58% | 0.00% |
| 16 | Nihir Nalin Parikh | 9,00,000 | 1.55% | 0.00% | 9,00,000 | 1.55% | (1.55%) |
| 17 | Chamak Jatin Parikh | 13,00,000 | 2.24% | 0.00% | 13,00,000 | 2.24% | 0.00% |
| 18 | Jatin Narendra Parikh | 13,00,000 | 2.24% | 0.00% | 13,00,000 | 2.24% | 0.00% |
| 19 | Tushar Natverlal Dharia HUF | 12,00,000 | 2.07% | 0.00% | 12,00,000 | 2.07% | 0.00% |
| 20 | Ami Tushar Dharia | 10,00,000 | 1.72% | 0.00% | 10,00,000 | 1.72% | 0.00% |
| 21 | Gaurang Natwarlal Parikh HUF | 10,00,000 | 1.72% | 0.00% | 10,00,000 | 1.72% | 0.00% |
| 22 | Veenu Rakesh Gupta | 10,00,000 | 1.72% | 0.00% | 10,00,000 | 1.72% | 0.00% |
| 23 | Kinjal Pankil Dharia | 8,00,000 | 1.38% | 0.00% | 8,00,000 | 1.38% | 0.00% |
| 24 | Jignasha Jay Kantawala | 6,00,000 | 1.03% | 0.00% | 6,00,000 | 1.03% | 0.00% |
| 25 | Anvi Nishith Shah | - | 0.00% | (0.86%) | 5,00,000 | 0.86% | 0.00% |
| 26 | Lina Suketu Parikh | 3,50,000 | 0.60% | (0.09%) | 4,00,000 | 0.69% | 0.00% |
| 27 | Pushpa Navinchandra Parikh | 3,31,250 | 0.57% | (0.12%) | 4,00,000 | 0.69% | 0.00% |
| 28 | Raksha Bhisham Gupta | 4,00,000 | 0.69% | 0.00% | 4,00,000 | 0.69% | 0.00% |

## Notes forming part of Financial Statements for the year ended March 31, 2026

| Sr. No. | Name | As at March 31,2026 | | | As at March 31,2025 | | |
|---|---|---|---|---|---|---|---|
| | | No. of Shares | % of holding | % of Change | No. of Shares | % of holding | % of Change |
| 29 | Suhagi Dhaval Parikh | 4,00,000 | 0.69% | 0.00% | 4,00,000 | 0.69% | 0.00% |
| 30 | Sundeep Navinchandra Parikh | 3,50,000 | 0.60% | (0.09%) | 4,00,000 | 0.69% | 0.00% |
| 31 | Shruti Sachin Parikh | 2,00,000 | 0.34% | 0.00% | 2,00,000 | 0.34% | 0.00% |
| 32 | Tanvi Gaurang Parikh | 2,00,000 | 0.34% | 0.00% | 2,00,000 | 0.34% | 0.00% |
| 33 | Riddhi Mihir Kapadia | 20,000 | 0.03% | 0.00% | 20,000 | 0.03% | 0.00% |
| 34 | Sonal Nishith Dharia Family Trust | 1,000 | 0.00% | 0.00% | 1,000 | 0.00% | 0.00% |
| 35 | Mahesh Naranji Thakkar | 7,245 | 0.01% | 0.00% | 7,245 | 0.01% | NA |
| 36 | Asit Rasiklal Dharia | 7,245 | 0.01% | 0.00% | 7,245 | 0.01% | NA |
| 37 | Mira Ravitej Kapadia | 7,825 | 0.01% | 0.00% | 7,825 | 0.01% | NA |
| 38 | Uma Rajan Javeri | 24,170 | 0.04% | 0.00% | 24,170 | 0.04% | NA |
| 39 | Meghna B Gandhi | 7,825 | 0.01% | 0.00% | 7,825 | 0.01% | NA |

### 16. Other Equity

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Other Reserves** | | |
| **Retained Earnings Including Other Comprehensive Income** | | |
| Opening Balance | 3,558.70 | 3,142.47 |
| | - | - |
| Add/(Less): Other Comprehensive Income (Remeasurement of defined benefit plan) | (3.49) | (2.09) |
| Add: Net Profit for the current year | 831.24 | 435.72 |
| Less: Capitalised on issue of Bonus shares | - | - |
| Less: Final Dividend paid for FY 24-25. (PY FY 23-24) | (17.40) | (17.40) |
| Closing Balance | 4,369.05 | 3,558.70 |
| **Total** | **4,369.05** | **3,558.70** |

**Nature and Purpose of Reserves**

**Retained Earnings Including Other Comprehensive Income**

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders and actuarial gains/ (losses) on employee benefit obligations.

**Note on Dividend**

For the year ended March 31, 2026 the Company has proposed Final Dividend to Equity Shareholders @ 60% of the face value per share.i.e. ₹ 1.2 per share. The same is subject to the approval from the shareholders in the ensuing Annual General Meeting.

### 17. Long term borrowings

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Secured** | | |
| (a) Term loans | | |
| (i) From banks | 700.64 | 577.43 |
| (ii) From Non Banking Financial Company (NBFC) | - | - |
| Less : Current Maturities of Long Term - Borrowings (Refer Note 20) | (230.61) | (141.62) |
| **Total** | **470.03** | **435.81** |

## Notes forming part of Financial Statements for the year ended March 31, 2026

(i) Terms of repayment of loans and Nature of security provided for each case seperately,

(₹ in Millions)

| Sr. No. | Term Loans from Bank | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|
| 1 | Term Loan from Kotak Mahindra Bank Ltd.,Terms of repayment:Quarterly in equal Installments payable over a period ranging from 5 - 7 Years, Rate in the range of 7.50% p.a. to 9.00 % p.a.(Linked to RBI Repo rate + 2.10%), date of start of 1st installment starting from Jan 23 and end with Dec 27<br>Security:<br>First charge on the plant and machinery situated at Khopoli funded by Kotak Mahindra Bank Ltd.<br>Second Pari Passu Charge by way of hypothecation of Current Assets<br>Second Pari Passu Charge by way of hypothecation of Movable Assets<br>Second Pari Passu Charge by way of equitable mortgage on Land & Building situated at Survey No. 13/5C, 13/1A, 13/5B, 15/3, 15/1, 15/2, 15/4, 15/5, 16/1, 16/2, 16/3, 25/6B, 25/7C, 25/10E, 25/11G, 25/12F, 25/13J, 25/5B, 25/5C, 25/5D, 25/1E, 25/9D at village Mauje Honad, and Chinchavali, Tehsil Khalapur, Khopoli, Dist. Raigad., Corporate Office located at Prasol House, Plot No. A/17/2/3 in A Block, TTC Industrial Area of MIDC Khairane, Navi Mumbai 400705 | 52.50 | 82.50 |
| 2 | Term Loan from HDFC Bank,Terms of Repayment:Quarterly in equal Installments payable over a period ranging from 5 - 7 Years, Rate in the range of 7.50% p.a. to 9.00% p.a. (Linked to RBI Repo rate + 2.15%), date of start of 1st installment staring from Jan 23 and end with Oct 27<br>Security:<br>First Charge on the Plant and Machinery at Khopoli funded by HDFC Bank<br>Second Pari Passu Charge by way of hypothecation of Current Assets<br>Second Pari Passu Charge by way of hypothecation of Movable Assets<br>Second Pari Passu Charge by way of equitable mortgage on Land & Building situated at Survey No. 13/5C, 13/1A, 13/5B, 15/3, 15/1, 15/2, 15/4, 15/5, 16/1, 16/2, 16/3, 25/6B, 25/7C, 25/10E, 25/11G, 25/12F, 25/13J, 25/5B, 25/5C, 25/5D, 25/1E, 25/9D at village Mauje Honad, and Chinchavali, Tehsil Khalapur, Khopoli, Dist. Raigad. and Corporate Office located at Prasol House, Plot No. A/17/2/3 in A Block, TTC Industrial Area of MIDC Khairane, Navi Mumbai 400705 | 47.60 | 74.80 |

## Notes forming part of Financial Statements for the year ended March 31, 2026

| Sr. No. | Term Loans from Bank | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|
| 3 | Term Loan from HDFC Bank,Terms of Repayment:Quarterly in equal Installments payable over a period ranging from 5 - 7 Years, Rate in the range of 7.50% p.a. to 9.00% p.a. (Linked to RBI Repo rate + 2.15%), date of start of 1st installment staring from Jan 23 and end with Oct 27<br>Security:<br>First charge on the plant and machinery situated at Mahad funded by HDFC Bank<br>Second Pari Passu Charge by way of hypothecation of Current Assets<br>Second Pari Passu Charge by way of hypothecation of Movable Assets<br>Second Pari Passu Charge by way of equitable mortgage on Land & Building situated at Survey No. 13/5C, 13/1A, 13/5B, 15/3, 15/1, 15/2, 15/4, 15/5, 16/1, 16/2, 16/3, 25/6B, 25/7C, 25/10E, 25/11G, 25/12F, 25/13J, 25/5B, 25/5C, 25/5D, 25/1E, 25/9D at village Mauje Honad, and Chinchavali, Tehsil Khalapur, Khopoli, Dist. Raigad., Corporate Office located at Prasol House, Plot No. A/17/2/3 in A Block, TTC Industrial Area of MIDC Khairane, Navi Mumbai 400705 and Land & Building located at FS-30 at MIDC Five Star Industrial Estate, Village Amshet, Taluka Mahad, Dist. Raigad, 402309 | 92.40 | 145.20 |
| 4 | Term Loan from HDFC Bank,Terms of Repayment: Monthly in equal Installments payable over a period ranging from 4-5 Years, Rate in the range of 7.80% to 7.95% p.a. (linked to 3 month T bill + 0.95%), date of start of 1st installment staring from March 24 and end with Dec 27<br>Security:<br>First Charge on the Plant and Machinery at Khopoli & Mahad funded by HDFC Bank<br>Second Pari Passu Charge by way of hypothecation of Current Assets<br>Second Pari Passu Charge by way of hypothecation of Movable Assets<br>Second Pari Passu Charge by way of equitable mortgage on Land & Building situated at Survey No. 13/5C, 13/1A, 13/5B, 15/3, 15/1, 15/2, 15/4, 15/5, 16/1, 16/2, 16/3, 25/6B, 25/7C, 25/10E, 25/11G, 25/12F, 25/13J, 25/5B, 25/5C, 25/5D, 25/1E, 25/9D at village Mauje Honad, and Chinchavali, Tehsil Khalapur, Khopoli, Dist. Raigad., Corporate Office located at Prasol House, Plot No. A/17/2/3 in A Block, TTC Industrial Area of MIDC Khairane, Navi Mumbai 400705 and Land & Building located at FS-30 at MIDC Five Star Industrial Estate, Village Amshet, Taluka Mahad, Dist. Raigad, 402309 | 63.25 | 94.87 |

## Notes forming part of Financial Statements for the year ended March 31, 2026

| Sr. No. | Term Loans from Bank | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|
| 5 | Term Loan from HDFC Bank,Terms of Repayment: Quarterly in equal Installments payable over a period ranging from 5-6 Years, Rate in the range of 7.5% to 8.50% p.a. (linked to Repo Rate + 2.25%), date of start of 1st installment staring from June '26 and end with March '31<br>Security:<br>First Charge on the Plant and Machinery at Khopoli, Mahad & HO funded by HDFC Bank<br>Second Pari Passu Charge by way of hypothecation of Current Assets<br>Second Pari Passu Charge by way of hypothecation of Movable Assets<br>Second Pari Passu Charge by way of equitable mortgage on Land & Building situated at Survey No. 13/5C, 13/1A, 13/5B, 15/3, 15/1, 15/2, 15/4, 15/5, 16/1, 16/2, 16/3, 25/6B, 25/7C, 25/10E, 25/11G, 25/12F, 25/13J, 25/5B, 25/5C, 25/5D, 25/1E, 25/9D at village Mauje Honad, and Chinchavali, Tehsil Khalapur, Khopoli, Dist. Raigad., Corporate Office located at Prasol House, Plot No. A/17/2/3 in A Block, TTC Industrial Area of MIDC Khairane, Navi Mumbai 400705 and Land & Building located at FS-30 at MIDC Five Star Industrial Estate, Village Amshet, Taluka Mahad, Dist. Raigad, 402309 | 444.89 | 180.06 |
| | **Total Term Loan from Banks and others** | **700.64** | **577.43** |

### 18. Deferred tax liabilities (Net)

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Tax effect of items constituting deferred tax liability** | | |
| Property Plant and Equipment | 297.68 | 290.24 |
| **Tax effect of items constituting deferred tax liability** | **297.68** | **290.24** |
| **Tax effect of items constituting deferred tax assets** | | |
| Provision for employee benefits | (29.06) | (21.98) |
| Provision and expected credit loss | (2.72) | (4.19) |
| Derivative Financial Instruments | (2.53) | (1.79) |
| Disallowances | (3.35) | (7.79) |
| **Tax effect of items constituting deferred tax assets** | **(37.66)** | **(35.75)** |
| **Total** | **260.02** | **254.49** |

### 19. Non-current Provisions

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **(a) Provision for employee benefits** | | |
| (i) Provision for Gratuity | 86.10 | 68.37 |
| (ii) Provision for Leave Encashment | 10.13 | 7.19 |
| **Total** | **96.23** | **75.56** |

## Notes forming part of Financial Statements for the year ended March 31, 2026

### 20. Current Borrowings

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Secured** | | |
| (a) Loans repayable on demand | | |
| (i) From banks | | |
| Cash Credit | - | 13.59 |
| Working Capital Demand Loan | 400.00 | 419.50 |
| (b) Current maturities of long term borrowings | 230.61 | 141.62 |
| **SUBTOTAL (A)** | **630.61** | **574.71** |
| **UnSecured** | | |
| (a) Loans repayable on demand | | |
| (i) From banks | - | - |
| (ii) From related Parties | - | - |
| **SUBTOTAL (B)** | **-** | **-** |
| **Total** | **630.61** | **574.71** |

**(i) Details of Loans : Secured**

(₹ in Millions)

| Nature of Loans | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Cash Credit, & Packing Credit,Security: First Pari Passu charge by way of hypothecation of stocks & book debts & further second Pari Passu charge on Fixed Assets of the Company pertaining to Khopoli Unit and Khairne, Navi Mumbai unit by hypothecation of movable machinery and creating mortgage by way of deposit of title deeds of lands & building. | - | 13.59 |
| Working Capital Demand Loan: a) First charge on Pari-Passu basis with Banks/Financial Institutions on Current Assets viz. Stock of Raw Material, Stock in Process, Finished Goods,Consumable Stores & Spares and Book Debts of the company, both present and future,b) Second charge on pari-passu basis with Banks/ Financial Institutions on entire property/immovable assets located at: (i) Land & Building located at Prasol Survey No. 13 Hissa No. 5C, 1A, 5B & Survey No. 15 Hissa No. 3,1,2,4,5 & Survey No. 16 Hissa No. 1,2,3 & Survey No. 25 Hissa No. 6B, 7C, 10E, 11G, 12F, 13J, 5B, 5C, 5D, 1E, 9D at Village Mauje Honad & Chinchvali, Takai Adoshi Road, Taluka, Khalapur, Khopoli, Dist. Raigad - 402310 owned by the Company, c) Second charge on pari-passu basis with Banks/Financial Institutions on entire movable fixed assets of the Company (excluding movable fixed assets funded by a bank under term loan facilities)* | 400.00 | 419.50 |
| **Total Secured short term borrowings** | **400.00** | **433.09** |

* With Various banks interest range between 7.00% pa to 8.00% pa

## Notes forming part of Financial Statements for the year ended March 31, 2026

**Disclosure for Stock Statement Submitted to Banks and as per books :**

**As at March 31, 2026 :**

(₹ in Millions)

| Quarter | Amount as per books of accounts | Amount as reported in quarterly return statement | Amount of difference | Reason for material discrepancies |
|---|---|---|---|---|
| 1st quarter | 1,660.21 | 1,386.24 | 273.97 | Stores & Spares stock, Stock in Transit not considered in quarterly return statement |
| 2nd quarter | 2,231.42 | 2,122.00 | 109.42 | Stores & Spares stock, Stock in Transit not considered in quarterly return statement |
| 3rd quarter | 2,342.57 | 1,718.92 | 623.65 | Stores & Spares stock, Stock in Transit not considered in quarterly return statement |
| 4th quarter | 1,532.38 | 1,221.82 | 310.56 | Stores & Spares stock, Stock in Transit not considered in quarterly return statement |

**As at March 31, 2025 :**

(₹ in Millions)

| Quarter | Amount as per books of accounts | Amount as reported in quarterly return statement | Amount of difference | Reason for material discrepancies |
|---|---|---|---|---|
| 1st quarter | 1,501.54 | 1,282.58 | 218.96 | Stores & Spares stock, Stock in Transit not considered in quarterly return statement |
| 2nd quarter | 1,803.73 | 1,506.67 | 297.06 | Stores & Spares stock, Stock in Transit not considered in quarterly return statement |
| 3rd quarter | 1,665.41 | 1,318.02 | 347.39 | Stores & Spares stock, Stock in Transit not considered in quarterly return statement |
| 4th quarter | 1,517.00 | 1,141.18 | 375.82 | Stores & Spares stock, Stock in Transit not considered in quarterly return statement |

### 21. Trade Payables

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Trade payables:** | | |
| (A) Total outstanding Dues to micro and small enterprises | 35.02 | 30.33 |
| (B) Total outstanding dues of creditors Other than micro and small enterprises * | 2,047.33 | 1,938.36 |
| **Total** | **2,082.35** | **1,968.69** |

* includes ₹ 0.00 Mn (March 31, 2025 :₹ 1.00 Mn) payable to related parties.(Refer Note 45)

## Notes forming part of Financial Statements for the year ended March 31, 2026

**(i) Information required as per Micro, Small and Medium Enterprises Development Act, 2006**

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Principal amount due and remaining unpaid | 38.59 | 32.78 |
| Interest due and unpaid on the above amount | 0.05 | 0.01 |
| Interest paid by the Company in terms of section 16 of the Micro, Small and Medium enterprises Act, 2006 | 3.89 | 2.16 |
| Payment made beyond the appointed day during the year | - | - |
| Interest due and payable for the year of delay | 0.87 | 1.93 |
| Interest accrued and remaining unpaid | 6.46 | 9.44 |

(ii) The above is based on the intimation received from its vendors regarding the status under Micro, Small and Medium enterprises development (MSMED Act, 2006), except as stated above. The above information is based on the information compiled by the Company and relied upon by the statutory auditors.

(iii) Outstanding of MSME creditors excludes Creditor for Capital Goods value of which is ₹ 3.57 Mn (March 31, 2025 : ₹ 2.45 Mn,) (Refer Note 22)

**Trade Payables Ageing Schedules as at March 31, 2026:**

(₹ in Millions)

| Particulars | Outstanding for following years from due date of payment | | | | | |
|---|---|---|---|---|---|---|
| | Not Due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) MSME | 30.24 | 4.78 | - | - | - | 35.02 |
| (ii) Others | 1,694.12 | 349.66 | 1.32 | 0.26 | 1.97 | 2,047.33 |
| (iii) Disputed dues — MSME | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |

**Trade Payables Ageing Schedules as at March 31, 2025:**

(₹ in Millions)

| Particulars | Outstanding for following years from due date of payment | | | | | |
|---|---|---|---|---|---|---|
| | Not Due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) MSME | 23.76 | 6.57 | - | - | - | 30.33 |
| (ii) Others | 1,719.60 | 216.10 | 0.69 | 0.60 | 1.37 | 1,938.36 |
| (iii) Disputed dues — MSME | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |

**22. Other Current Financial Liabilities**

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| (a) Interest accrued but not due on borrowings | 5.33 | 4.42 |
| (b) Creditors for capital items* | 20.21 | 21.05 |
| (c) Derivative Financial Liabilities | 10.04 | 7.07 |
| **Total** | **35.58** | **32.54** |

*Includes MSME Creditors for Capital Goods value of which is ₹ 3.57 Mn ( March 31, 2025 : ₹ 2.45 Mn)

## Notes forming part of Financial Statements for the year ended March 31, 2026

### 23. Other Current Liabilities

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| (a) Advance from Customers | 202.15 | 126.03 |
| (b) Employees Liabilities | 70.57 | 33.58 |
| (c) Statutory Liabilities | 33.10 | 12.04 |
| **Total** | **305.82** | **171.65** |

### 24. Provisions

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **(a) Provision for employee benefits** | | |
| (i) Provision for Gratuity | 17.87 | 10.84 |
| (ii) Provision for Leave Encashment | 1.37 | 0.95 |
| **Total** | **19.24** | **11.79** |

### 25. Current Tax Liabilities

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Provision for Income tax | 3.02 | 25.66 |
| **Total** | **3.02** | **25.66** |

### 26. Revenue from operations

(₹ in Millions)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **(a) Sale of Products** | 12,248.14 | 10,068.32 |
| **(b) Revenue from Services** | | |
| Job work Sales | 39.80 | 14.14 |
| **(c) Other Operating Revenue** | | |
| Commission Received | 5.24 | 9.43 |
| Scrap Sale | 20.98 | 13.78 |
| Other Operating Income | 11.77 | 19.27 |
| **Total** | **12,325.93** | **10,124.94** |

### 27. Other Income

(₹ in Millions)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Interest Received | 1.80 | 0.49 |
| Insurance Claim Received | 2.22 | 0.43 |
| Export Incentives | 27.17 | 22.17 |
| Expenses no longer payable written back | 5.12 | 3.99 |
| Provision no longer required written back | 8.26 | - |
| Miscellaneous Income | 7.95 | 3.85 |
| **Total** | **52.52** | **30.93** |

## Notes forming part of Financial Statements for the year ended March 31, 2026

### 28. Cost of Materials Consumed

(₹ in Millions)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **(a) Raw material consumed** | | |
| Opening Stock | 753.04 | 427.29 |
| Add: Purchases | 6,551.35 | 6,186.38 |
| Less: Closing Stock | (649.27) | (753.04) |
| **SUBTOTAL (A)** | **6,655.12** | **5,860.63** |
| **(b) Packing Materials Consumed** | | |
| Opening Stock | 18.87 | 17.60 |
| Add: Purchases | 238.27 | 216.63 |
| Less: Closing Stock | (27.59) | (18.87) |
| **SUBTOTAL (B)** | **229.55** | **215.36** |
| **TOTAL** | **6,884.67** | **6,075.99** |

### 29. Purchase of Traded Goods

(₹ in Millions)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Purchase of Traded Goods | 1,750.88 | 1,343.12 |
| **TOTAL** | **1,750.88** | **1,343.12** |

### 30. Changes in inventories of finished goods, stock-in-trade and work-in-progress

(₹ in Millions)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **(a) Inventories at the end of the year** | | |
| Finished Goods | 305.23 | 379.40 |
| Traded Goods | 206.69 | 149.56 |
| Semi Finished Goods | 247.08 | 133.57 |
| **Total (a)** | **759.00** | **662.53** |
| **(b) Inventories at the beginning of the year** | | |
| Finished Goods | 379.40 | 261.11 |
| Traded Goods | 149.56 | 115.21 |
| Semi Finished Goods | 133.57 | 110.61 |
| **Total (b)** | **662.53** | **486.93** |
| **(Increase)/Decrease in Inventory** | **(96.47)** | **(175.60)** |

### 31. Employee Benefit Expenses

(₹ in Millions)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| (a) Salary, Wages and Bonus | 452.86 | 321.51 |
| (b) Contribution to Provident and other funds | 39.60 | 83.60 |
| (c) Staff Welfare expenses | 11.20 | 11.88 |
| **Total** | **503.66** | **416.99** |

## Notes forming part of Financial Statements for the year ended March 31, 2026

### 32. Finance Costs

(₹ in Millions)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| (a) Interest | 74.73 | 73.89 |
| (b) Exchange differences regarded as an adjustment to borrowing costs | 0.15 | 3.81 |
| (c) Other borrowing costs | 4.89 | 4.78 |
| **Total** | **79.77** | **82.48** |

### 33. Depreciation and Amortisation expenses

(₹ in Millions)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Depreciation of Property, Plant and Equipment | 237.42 | 225.91 |
| Amortization of Intangible Assets | 8.20 | 5.53 |
| Amortization for Right of use assets | 0.48 | 0.48 |
| Amortization of Leasehold land | 0.86 | 0.84 |
| **Total** | **246.96** | **232.76** |

### 34. Other Expenses

(₹ in Millions)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **Manufacturing Expenses** | | |
| Power and Fuel | 595.82 | 546.25 |
| Water Charges | 1.44 | 0.99 |
| Repairs and Maintenance | | |
| - Machinery | 75.20 | 56.28 |
| - Others | 57.98 | 34.61 |
| Stores and Spares Consumed | 123.43 | 86.27 |
| Labour Charges | 100.74 | 73.96 |
| Other Manufacturing Expenses | 290.43 | 225.86 |
| **Selling and Distribution Expenses** | | |
| Freight, Handling and Other Sales and Distribution Expenses | 332.61 | 276.35 |
| Commission on Sale | 78.49 | 72.42 |
| Advertisement and Publicity | 40.43 | 32.39 |
| **Establishment Expenses** | | |
| Rent | 1.12 | 0.80 |
| Rates and Taxes | 5.31 | 8.33 |
| Insurance | 19.25 | 14.28 |
| Communication cost | 2.60 | 2.03 |
| Travelling and Conveyance | 13.48 | 17.09 |
| Repairs and Maintenance - Others | 1.01 | 2.27 |
| Printing and Stationery | 0.22 | 0.54 |
| Legal and Professional Charges | 45.90 | 36.76 |
| Provision for Impairment in subsidiary | - | 1.00 |
| Auditor's Remuneration (refer note below) | 1.25 | 1.02 |
| Subscriptions | 3.30 | 2.23 |
| Bad debts | 1.10 | 0.56 |
| Corporate Social Responsibility (Refer Note 37) | 10.65 | 14.01 |
| Administrative expenses | 37.41 | 32.74 |
| Net Loss/(Gain) on foreign currency transalation and transaction | 37.55 | 33.29 |
| Loss/(Profit) on Sales of Fixed Assets / Written Off | 10.65 | 0.34 |
| Provision for Doubtful Debts/Advances (including ECL) | 2.62 | 14.56 |
| **Total** | **1,889.99** | **1,587.23** |

## Notes forming part of Financial Statements for the year ended March 31, 2026

**Note: Auditors Remuneration**

(₹ in Millions)

| Auditor's remuneration comprises: | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| As Auditors | 0.90 | 0.70 |
| For Tax Audit | 0.18 | 0.15 |
| For Taxation matters | 0.14 | 0.16 |
| For Certification and other services | 0.03 | 0.01 |
| **Total** | **1.25** | **1.02** |

The above does not include fees of ₹1.3 Mn paid in relation to IPO which is included in other current assets (Refer Note 14)

**35. Contingent Liabilities**

(₹ in Millions)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| (a) Claims against the Company not acknowledged as debt | | |
| DRI Mumbai and Ahmedabad | 6.82 | 3.62 |
| Income Tax Liability that may arise in respect of matters in appeal | 1.82 | 1.82 |
| (b) Guarantees excluding financial guarantees | 91.53 | 85.26 |
| **Total** | 100.17 | 90.70 |

**Note:**

1) The Company had received various Show Cause cum Demand Notices from DRI Mumbai and Ahmedabad in relation to licences purchased by the Company which were found to be bogus. The company's appeals in this regard are pending with Central Excise & Service Tax Appellate Tribunal.

2) For AY 2018-19 the Company had received penalty order during FY 2024-25 following disallowance of R&D expenditure. The Company has preferred an appeal with CIT(A).

**36. Commitments**

(₹ in Millions)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| (a) Estimated amount of contracts to be executed on capital account and not provided for ( Net off Advances) | 163.91 | 35.98 |
| (b) Letter of Credit Outstanding | 827.14 | 341.39 |
| **Total** | **991.05** | **377.37** |

## Notes forming part of Financial Statements for the year ended March 31, 2026

### 37. Corporate Social Responsibility expenses

Pursuant to the provisions of the Companies Act, 2013, the Company is required to spend two percent of the average net profits for the immediately preceeding three financial years towards CSR activities. Details of expenditure incurred towards CSR is as follows:

(₹ in Millions)

| Corporate Social Responsibility expenses | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| (i) Gross amount required to be spent by the Company during the year | 10.65 | 14.01 |
| (ii) Amount of expenditure incurred/provided for the year, | 10.70 | 13.31 |
| (iii) Shortfall at the end of the year, | (0.05) | 0.70 |
| (iv) Total of previous years shortfall | 2.99 | 2.99 |
| (v) Reason for shortfall, | - | Unspent amount deposited in approved funds. |
| (vi) Nature of CSR activities | Promotion of Education, Water supply, Medical Expenses and other activites as per Schedule VII | Promotion of Education, Water supply, Medical Expenses and other activites as per Schedule VII |
| (vii) Details of related party transactions | - | - |
| (viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately. | - | - |

### 38. Expenditure on Research and Development

(₹ in Millions)

| Expenditure on Research and Development | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Capital Expenditure | 0.55 | 0.64 |
| Revenue Expenditure | 32.84 | 19.17 |

### 39. Current Tax and Deferred Tax

**(a) Amounts recognised in profit and loss and Other Comprehensive Income:**

(₹ in Millions)

| Details | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **Current tax expense** | | |
| Current year Tax | 276.89 | 154.32 |
| Deferred tax expense recognised in Profit and Loss account | 6.70 | (2.38) |
| Deferred tax expense recognised in Other Comprehensive Income | (1.17) | (0.70) |
| Income tax(excess)/ short provision of earlier years | 4.16 | 5.23 |
| **Total Income tax Expense** | **286.58** | **156.47** |

## Notes forming part of Financial Statements for the year ended March 31, 2026

**b) Reconciliation between provision of income tax of the Company and amounts computed by applying Statutory Income tax rates to Profit before tax is as follows:**

**A) Current tax**

(₹ in Millions)

| Details | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Profit before tax | 1,114.33 | 590.11 |
| Enacted Tax rates in India | 25.17% | 25.17% |
| **Tax Expenses** | **280.45** | **148.52** |
| Non Deductible Tax expenses | 2.59 | 2.90 |
| Deduction under chapter VI-A | 0.54 | 0.52 |
| Income Tax recognised in respect of earlier years | 4.16 | 5.24 |
| Income tax related to items that will not be reclassified to profit or loss | (1.17) | (0.70) |
| **Total Tax expenses recognised in the statement of Profit and Loss** | **286.58** | **156.47** |

**B) Deferred Tax :**

(₹ in Millions)

| Details | For the year ended March 31, 2025 | Recognised in Profit and loss (Asset)/ liability | Recognised in Other Comprehensive Income (Asset)/ liability | For the year ended March 31, 2026 |
|---|---|---|---|---|
| **Tax effect of items constituting deferred tax Liability:** | | | | |
| Property Plant and Equipment | 290.24 | 7.44 | - | 297.68 |
| **Tax effect of items constituting deferred tax assets :** | | | | |
| Provision for employee Benefits | (21.98) | (5.91) | (1.17) | (29.06) |
| Provision and expected Credit loss | (4.19) | 1.47 | - | (2.72) |
| Derivative Financial Instrument | (1.79) | (0.74) | - | (2.53) |
| Disallowances | (7.79) | 4.44 | - | (3.35) |
| **Total** | **254.49** | **6.70** | **(1.17)** | **260.02** |

## Notes forming part of Financial Statements for the year ended March 31, 2026

(₹ in Millions)

| Details | For the year ended March 31, 2024 | Recognised in Profit and loss (Asset)/ liability | Recognised in Other Comprehensive Income (Asset)/ liability | For the year ended March 31, 2025 |
|---|---|---|---|---|
| **Tax effect of items constituting deferred tax Liability :** | | | | |
| Property Plant and Equipment | 268.46 | (21.78) | - | 290.24 |
| Derivative Financial Instruments | 0.21 | 0.21 | - | - |
| **Tax effect of items constituting deferred tax assets :** | | | | |
| Provision for employee Benefits | (3.92) | 18.76 | (0.70) | (21.98) |
| Provision and expected Credit loss | (0.53) | 3.67 | - | (4.19) |
| Derivative Financial Instrument | - | 1.79 | - | (1.79) |
| Disallowances | (6.64) | 1.15 | - | (7.79) |
| **Total** | **257.58** | **3.80** | **(0.70)** | **254.49** |

### 40. Earnings per share

(₹ in Millions)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Net Profit/(Loss) after tax after Exceptional Item | 831.24 | 435.72 |
| Equity shares at the beginning of the year (nos. of shares) | 5,80,00,000 | 5,80,00,000 |
| Equity shares issued during the year | - | - |
| Equity shares at the end of the year (nos. of shares) | 5,80,00,000 | 5,80,00,000 |
| Weighted average equity shares for the purpose of calculating basic earnings per share (nos. of shares) | 5,80,00,000 | 5,80,00,000 |
| Weighted average equity shares for the purpose of calculating diluted earnings per share (nos. of shares) | 5,80,00,000 | 5,80,00,000 |
| Earnings per share-basic (face value of ₹ 2 each) (₹) | 14.33 | 7.51 |
| Earnings per share-diluted (face value of ₹ 2 each) (₹) | 14.33 | 7.51 |

### 41. Employee Benefits

I. Details of retirement plans:

The employees of the Company are members of a state – managed retirement benefit plans namely gratuity fund operated by the Government of India. The Company is required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits.

The Company has recognised the following amounts in the Income Statement during the year under 'Contribution to staff provident and other funds' (Refer Note 31)

(₹ in Millions)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Contribution to Provident & Other Funds | 15.90 | 13.60 |
| **Total** | **15.90** | **13.60** |

## Notes forming part of Financial Statements for the year ended March 31, 2026

II. Defined benefit plans

The Company operates funded gratuity plan for qualifying employees. Under the plan, the employees are entitled to retirement benefits depending upon the number of years of service rendered by them subject to minimum specified number of years of service.

No other post retirement benefits are provided to these employees.

The actuarial valuation of plan assets and the present value of defined benefit obligation were carried out at March 31, 2026 and March 31, 2025 by the certified actuarial valuer.

The present value of the defined benefit obligation, related current service cost and past service cost were measured using the projected unit credit method.

**(A) Movements in present value of defined benefit obligation**

(₹ in Millions)

| Particulars | Gratuity (funded) | |
|---|---|---|
| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
| Obligations as at beginning of the year | 109.72 | 35.93 |
| Current service cost | 8.50 | 6.39 |
| Past service cost | 9.12 | 62.99 |
| Current service contribution- employee | | - |
| Interest cost | 8.16 | 2.60 |
| Benefits paid | (2.12) | (0.99) |
| Actuarial (gain)/loss | 4.60 | 2.80 |
| **Present value of defined benefit obligation as at end of the year** | **137.98** | **109.72** |

**(B) Movements in the fair value of plan assets**

(₹ in Millions)

| Particulars | Gratuity (funded) | |
|---|---|---|
| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
| Fair value of plan assets at beginning of the year | 30.51 | 27.34 |
| Expected return on plan assets | (0.06) | 1.98 |
| Actual return on plan assets | 2.08 | 0.01 |
| Actuarial gain/(loss) on plan assets | - | - |
| Contributions by the employer | 3.60 | 2.17 |
| Other adjustments | - | - |
| Benefits paid | (2.12) | (0.99) |
| Exchange difference | - | - |
| **Fair value of plan assets as at end of the year** | **34.01** | **30.51** |

**(C) Amount recognized in the balance sheet**

(₹ in Millions)

| Particulars | Gratuity (funded) | |
|---|---|---|
| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
| Present value of defined benefit obligation as at end of the year | 137.98 | 109.72 |
| Fair value of plan assets as at end of the year | 34.01 | 30.51 |
| **As at year end [Asset/(Liabilities)]** | **(103.97)** | **(79.21)** |

## Notes forming part of Financial Statements for the year ended March 31, 2026

### (D) Category of Assets

(₹ in Millions)

| Particulars | Gratuity (funded) | |
|---|---|---|
| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
| Government of India Assets | - | - |
| State Government Securities | - | - |
| Special Deposits Scheme | - | - |
| Debt Instruments | - | - |
| Corporate Bonds | - | - |
| Cash And Cash Equivalents | - | - |
| Insurance fund | 34.01 | 30.51 |
| Asset-Backed Securities | - | - |
| Structured Debt | - | - |
| Other | - | - |
| **Total** | **34.01** | **30.51** |

### (E) Other Details

(₹ in Millions)

| Particulars | Gratuity (funded) | |
|---|---|---|
| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
| No of Members in Service | 724 | 621 |
| Per Month Salary For Members in Service | 17.87 | 10.84 |
| Average Expected Future Service in Year | 11.00 | 11.00 |
| Projected Benefit Obligation (PBO) - Total | 137.98 | 109.72 |
| Projected Benefit Obligation (PBO) - Due but Not Paid | - | - |
| Expected Contribution in the Next year | 17.87 | 10.84 |

### (F) Net Interest Cost for the year

(₹ in Millions)

| Particulars | Gratuity (funded) | |
|---|---|---|
| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
| Present Value of Benefit Obligation at the Beginning of the year | 109.72 | 35.93 |
| (Fair Value of Plan Assets at the Beginning of the year) | (30.51) | (27.34) |
| Net Liability/(Asset) at the Beginning | 79.21 | 8.59 |
| Interest Cost | 8.16 | 2.60 |
| (Interest Income) | (2.08) | (1.98) |
| **Net Interest Cost for Year** | **6.08** | **0.62** |

### (G) Amounts recognized in the statement of profit and loss

(₹ in Millions)

| Particulars | Gratuity (funded) | |
|---|---|---|
| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
| Current service cost | 8.50 | 6.39 |
| Past service cost | 9.12 | 62.99 |
| Interest cost | 6.08 | 0.62 |
| Expected return on plan assets | - | - |
| Past service cost | - | - |
| Net actuarial (gain)/loss recognized in the year | - | - |
| **Total** | **23.70** | **70.00** |

## Notes forming part of Financial Statements for the year ended March 31, 2026

### (H) Maturity Analysis of the Benefit Payments*

(₹ in Millions)

| Particulars | Gratuity (funded) | |
|---|---|---|
| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
| 1st Following Year | 9.46 | 7.87 |
| 2nd Following Year | 8.85 | 7.37 |
| 3rd Following Year | 9.81 | 7.09 |
| 4th Following Year | 47.40 | 7.57 |
| 5th Following Year | 7.34 | 38.90 |
| Sum of Years 6 To 10 | 39.47 | 28.17 |
| Sum of Years 11 and above | 138.80 | 114.99 |

* These are undiscounted benefits.

### (I) Amounts recognised in other comprehensive income

(₹ in Millions)

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Actuarial (Gains)/Losses on Obligation For the year | 4.60 | 2.80 |
| Return on Plan Assets, Excluding Interest Income | 0.06 | (0.01) |
| **Total** | 4.66 | 2.79 |

### (J) Category of plan assets

(₹ in Millions)

| Particulars | Gratuity (funded) | |
|---|---|---|
| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
| Administered by Life Insurance Corporation of India | 100% | 100% |
| Government of India Securities | - | - |
| State Government securities | - | - |
| Special Deposit Scheme | - | - |

The Company's plan assets in respect of gratuity are funded through the Gratuity Scheme of LIC.

### (K) Sensitivity analysis

(₹ in Millions)

| Particulars | Gratuity (funded) | |
|---|---|---|
| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
| **DBO On base assumptions** | 137.98 | 109.72 |
| **A. Discount Rate** | | |
| 1. Effect due to 1% increase in discount rate | (9.24) | (7.69) |
| 2. Effect due to 1% decrease in discount rate | 10.65 | 8.90 |
| **B. Salary Escalation Rate** | | |
| 1. Effect due to 1% increase in salary escalation rate | 10.28 | 8.70 |
| 2. Effect due to 1% decrease in salary escalation rate | (9.10) | (7.68) |
| **C. Withdrawal Rate** | | |
| 1. Effect due to 1% increase in withdrawal rate | (0.75) | (0.82) |
| 2. Effect due to 1% decrease in withdrawal rate | 0.82 | 0.92 |

**Risk Exposure - Asset Volatility**

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities.

These are subject to interest rate risk and the fund manages interest rate risk derivatives to minimize risk to an acceptable level. A portion of the funds are invested in equity securities and in alternative investments % which have low correlation with equity securities.

## Notes forming part of Financial Statements for the year ended March 31, 2026

The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit.

**(L) Actuarial assumptions**

Actuarial valuation as at the year-end was done in respect of the aforesaid defined benefit plans based on the following assumptions:

**i) General assumptions**

(₹ in Millions)

| Particulars | Gratuity (funded) | |
|---|---|---|
| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
| Discount rate (per annum) | 7.27% | 6.78% |
| Rate of return on plan assets | 7.27% | 6.78% |
| Withdrawal rate | 6.00% | 6.00% |
| Rate of increase in compensation | 8.00% | 8.00% |

ii) Mortality rates considered are as per the published rates in the India Assured Lives Mortality (2012-14) (Urban).

iii) Leave policy: Leave balance as at the valuation date and each subsequent year following the valuation date to the extent not availed by the employee accumulated up to March 31, 2026 is available for encashment on separation from the Company up to a maximum of 45 days.

iv) Liability on account of long term absences has been actuarially valued as per Projected Unit Credit Method.

v) Short term compensated absences have been provided on actual basis.

**42. Segment Reporting**

The Company operates in a Single segment viz Speciality Chemicals and the operations are largely confined to India. Accordingly, reporting under Ind AS 108 - Segment Reporting is not applicable.

**43. Fair Value measurements**

**Financial Instruments by Category**

Carrying values of Financial assets and financial liabilties including their levels in the fair value hierarchy, are presented below. Financial assets and financial laibilities such as cash and cash equivalents, other bank balances, trade receivables, loans, Trade payables, borrowings of which the fair value is a reasonable approximation of fair value due to their short term nature are disclosed at carrying values.

(₹ in Millions)

| Particulars | As at March 31, 2026 | | | As at March 31, 2025 | | |
|---|---|---|---|---|---|---|
| | FVTPL | FVOCI | Amortised cost | FVTPL | FVOCI | Amortised cost |
| **Financial Assets** | | | | | | |
| (i) Investments | - | - | - | - | - | - |
| (ii) Trade receivables | - | - | 2,786.86 | - | - | 1,972.68 |
| (iii) Cash and cash equivalents | - | - | 240.70 | - | - | 166.51 |
| (iv) Bank Balances other than (iii) above | - | - | 1.30 | - | - | 0.74 |
| (v) Other Financial Assets | - | - | 32.09 | - | - | 35.42 |
| **Total Financial Assets** | **-** | **-** | **3,060.95** | **-** | **-** | **2,175.35** |
| **Financial Liabilities** | | | | | | |
| (i) Borrowings | - | - | 1,100.64 | - | - | 1,010.52 |
| (ii) Lease Liabilities | - | - | 4.80 | - | - | 5.28 |
| (ii) Trade payables | - | - | 2,082.35 | - | - | 1,968.68 |
| (iii) Other financial liabilities | 10.04 | - | 25.53 | 7.07 | - | 25.46 |
| **Total Financial Liabilities** | **10.04** | **-** | **3,213.32** | **7.07** | **-** | **3,009.94** |

## Notes forming part of Financial Statements for the year ended March 31, 2026

**(i) Fair Value Hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

**Financial Assets and Liabilities measured at Fair values - recurring fair value measurements**

(₹ in Millions)

| Particulars | As at March 31, 2026 | | | As at March 31, 2025 | | |
|---|---|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 |
| Financial Assets at FVTPL | - | - | - | - | - | - |
| Financial Assets at FVOCI | - | - | - | - | - | - |
| Total Financial assets | - | - | - | - | - | - |
| Financial Liabilities at FVTPL | - | 10.04 | - | - | 7.07 | - |
| Financial Liabilities at FVOCI | - | - | - | - | - | - |
| Total Financial Liabilities | - | 10.04 | - | - | 7.07 | - |

**Fair value measurements recognised in the balance sheet:**

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

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

There are no transfers between Levels 1 and 2 during the year. The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting year.

**44 Financial Risk management**

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

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

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Company, through its training, standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Board of director is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board of Directors.

## Notes forming part of Financial Statements for the year ended March 31, 2026

The Company enters into derivative contracts with an intention to hedge its foreign exchange price risk. Derivative contracts which are linked to the underlying transactions are recognised in accordance with the contract terms. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit & Loss.

### A. Credit Risk

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

#### (i) Trade and Other receivables

Customer credit is managed by each business unit subject to the Company's established policies, procedures and control relating to customer credit risk management. Trade recievables are non-interest bearing and are generally on 60 days credit term. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored.

The carrying amount of following financial assets represents the maximum credit exposure.

The Maximum exposure to credit risk for Trade receivables agewise is as mentioned below:

(₹ in Millions)

| Trade receivables | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Neither past due nor impaired | 2,229.47 | 1,728.64 |
| past due less than 6 months | 525.26 | 227.45 |
| past due 6 months - 1 year | 29.99 | 10.46 |
| past due 1 - 2 years | 2.22 | 6.70 |
| past due 2 - 3 years | 5.24 | 6.33 |
| past due 3 - 5 years | 4.26 | 0.06 |
| past due more than 5 years | - | - |
| Total | 2,796.44 | 1,979.64 |
| Less: Loss allowance | 9.58 | 6.96 |
| Net Total | 2,786.86 | 1,972.68 |

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on trade receivables and other advances.

The Company follows 'simplified approach' for recognition of impairment loss on these financial assets. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Following table represent allowance for doubtful debts with the trade receivables over the years:

**Reconciliation of Loss allowance provision**

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Loss Allowance at the beginning of the year | 6.96 | 2.09 |
| Add: Allowance for Expected Credit loss during the year | 2.62 | 4.87 |
| Loss Allowance at the end of the year | **9.58** | **6.96** |

## Notes forming part of Financial Statements for the year ended March 31, 2026

### (ii) Cash and Cash Equivalents and Other Bank balances

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

The Company held cash and cash equivalents of ₹ 240.70 Mn at March 31, 2026 (March 31, 2025: ₹ 166.51 Mn). Cash and cash equivalents other than actual Cash are held with reputable and credit-worthy banks.

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

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

## B. Market Risk

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

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk. Thus, our exposure to market risk is a function of revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs. The Company uses derivative to manage market risk. Generally, the Company seeks to apply hedge accounting to manage volatility in profit or loss.

### (i) Currency Risk

The Company is exposed to currency risk on account of its operations in other countries. The functional currency of the Company is Indian Rupee. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may continue to fluctuate substantially in the future. Consequently, the Company uses both derivative instruments, i.e, foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange rates in respect of its highly probable forecasted transactions and recognized assets and liabilities. The Company enters into foreign currency forward contracts which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables/receivables.

**Following is the derivative financial instruments to hedge the foreign exchange rate risk**

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Trade and Other Receivables and payable | 242.39 | 867.40 |
| Hedges available | 232.35 | 860.33 |
| Net exposure to Foreign currency risk | 10.04 | 7.07 |

The carrying amounts of the Company's financial assets and financial liabilities denominated in foreign currencies at the reporting date are as follows:

(₹ in Millions)

| Particulars | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|
| USD | 934.65 | 1,085.01 | 628.21 | 1,084.04 |
| EUR | 185.70 | 13.82 | 43.27 | 31.61 |
| CNY | - | 42.17 | - | 102.21 |
| **Total** | **1,120.35** | **1,141.00** | **671.48** | **1,217.86** |

## Notes forming part of Financial Statements for the year ended March 31, 2026

The sensitivity of profit or loss to changes in the exchange rates arises mainly from unhedged foreign currency denominated financial instruments.

The following table details the Company's sensitivity to a 5% increase and decrease in the functional currency against the relevant foreign currencies of all the companies in the Company. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit and other equity where the respective functional currency strengthens by 5% against the relevant foreign currency. For a 5% weakening of the functional currency against the relevant currency, there would be an equal and opposite impact on the profit and other equity, and the balances below would be negative.

(₹ in Millions)

| Particulars | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|
| | (Increase) | (Decrease) | (Increase) | (Decrease) |
| **Impact on profit before tax** | | | | |
| USD | (7.52) | 7.52 | (22.79) | 22.79 |
| EUR | 8.59 | (8.59) | 0.58 | (0.58) |
| CNY | (2.11) | 2.11 | (5.11) | 5.11 |
| | **(1.04)** | **1.04** | **(27.32)** | **27.32** |

**(ii) Interest rate Risk:**

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

Interest rate sensitivity analysis:

As at March 31, 2026 and March 31, 2025, financial liabilities amounting to ₹1100.64 Mn and ₹1010.52 Mn, were subject to variable interest rates. 25 basis point increase/decrease in interest rates as at the balance sheet date would have resulted in a corresponding decrease/increase in profit before tax of ₹2.75 Mn and ₹2.53 Mn for the year ended March 31, 2026 and March 31, 2025.

The risk sensitivity estimates provided are based on the assumption that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

(Note: The impact if any is indicated on the profit/(loss) before tax basis).

**(iii) Liquidity Risk:**

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

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

## Notes forming part of Financial Statements for the year ended March 31, 2026

Liquidity table:

The following tables detail the Company's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the cash flows of financial liabilities based on the earliest date on which the Company can be required to pay:

(₹ in Millions)

| Particulars | As at March 31, 2026 | | | |
|---|---|---|---|---|
| | Within One year | One to five years | More than five years | Total |
| **Financial instruments:** | | | | |
| Borrowings | 630.61 | 470.03 | - | 1,100.64 |
| Lease Liabilities | 0.48 | 2.40 | 1.92 | 4.80 |
| Trade and other payables | 2,082.35 | - | - | 2,082.35 |
| Other financial liabilities | 35.58 | - | - | 35.58 |
| **Total financial liabilities** | **2,749.02** | **472.43** | **1.92** | **3,223.37** |

(₹ in Millions)

| Particulars | As at March 31, 2025 | | | |
|---|---|---|---|---|
| | Within One year | One to five years | More than five years | Total |
| **Financial instruments:** | | | | |
| Borrowings | 574.71 | 399.80 | 36.01 | 1,010.52 |
| Lease Liabilities | 0.48 | 2.40 | 2.40 | 5.28 |
| Trade and other payables | 1,968.68 | - | - | 1,968.68 |
| Other financial liabilities | 32.54 | - | - | 32.54 |
| **Total financial liabilities** | **2,576.41** | **402.20** | **38.41** | **3,017.02** |

**Equity price sensitivity analysis:**

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

### C. Capital Management

For the purpose of Company's Capital Management, equity includes equity share capital and all other equity reserves attributable to the equity holders of the Company. The Company manages its capital to optimise returns to the share holders and make adjustments to it in light of changes in economic conditions or its business requirements. The Company's objective is to safe guard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to share holders through continuing growth and maximise the shareholders value. The Company funds its operations through internal accruals and long term borrowings competitive rate. The Management and Board of Directors monitor the return of capital as well as the level of dividend to share holders.

**The Net Gearing Ratio at the end of the reporting year was as follows:**

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Gross Debts | 1,100.64 | 1,010.52 |
| Cash and Cash Equivalents | 240.70 | 166.51 |
| Net Debts (A) | 859.94 | 844.02 |
| Total Equity (As per Balance Sheet) (B) | 4,485.05 | 3,674.70 |
| **Net Gearing (A/B)** | **0.19** | **0.23** |

## Notes forming part of Financial Statements for the year ended March 31, 2026

**45 Disclosure in accordance with Ind AS - 24 "Related Party Disclosures", of the Companies (Indian Accounting Standards) Rules, 2015:**

**A. List of Related Parties with whom Company had transaction or balances during the year are as follows:**

**a) Subsidiary Company**

1) Prasol Aromatics Private Limited -Wholly owned subsidiary (Associate till January 23,2025) (Struck off on July 22, 2025)

**b) Key Management Personnel**

**Directors :**

1) Nishith R. Shah- Executive Director
2) Gaurang N. Parikh- Executive Director
3) Dhaval N. Parikh- Executive Director
4) Pankil N. Dharia- Executive Director
5) Rakesh S. Jadhav- Executive Director (w.e.f. June 18, 2025)

**Key Management Personnel :**

1) Rahul A Shroff- Chief Financial Officier
2) Kiran Agrawal- Company Secretary

**Independent Directors :**

1) Srinivasan S.-Independent Director
2) G.Ramakrishnan-Independent Director
3) Lakshmi Kantam M.-Independent Director
4) Ajay M Jain -Independent Director
5) Narayanan Nair -Independent Director (w.e.f. June 18, 2025)

**c) Enterprises that directly or indirectly through one or more intermediaries, control or are controlled by, or are under common control with, the reporting enterprise**

1) Maxima FRP Product

**d) Enterprises over which any person described in (b) is able to exercise control**

1) Consolidated Chemequip (Mfr) Private Limited (formerly known as Friends Fab Form Private Limited)
2) Galaxy Chemicals (Firm)

**e) Enterprises over which any person described in (c) is able to exercise control**

1) Heat Fabs (Firm)
2) Heatreaters & Engineers (Firm)
3) Wiyo Travel (Firm)

## Notes forming part of Financial Statements for the year ended March 31, 2026

**List of transaction with related party during the year ended March 31st 2026**

( ₹ in Millions)

| Sr. No. | Nature of Transaction | Name of the Party | Financial Year | Subsidiary Company (a) | Key Management personnel(b) | Entities where control exists(c) | Enterprise over which KMP has control(d) | Enterprise over which relative of KMP has control(e) | Total |
|---|---|---|---|---|---|---|---|---|---|
| 1 | Sale of Finished Goods | | **2025-26** | **-** | **-** | **0.24** | **2.44** | **-** | **2.68** |
| | | | **2024-25** | **-** | **-** | **0.25** | **-** | **-** | **0.25** |
| | | Maxima FRP Product | 2025-26 | - | - | 0.24 | - | - | 0.24 |
| | | | 2024-25 | - | - | 0.25 | - | - | 0.25 |
| | | Galaxy Chemicals (Firm) | 2025-26 | - | - | - | 2.44 | - | 2.44 |
| | | | 2024-25 | - | - | - | - | - | - |
| 2 | Purchase of Stores & Consumables | | **2025-26** | **-** | **-** | **-** | **-** | **0.53** | **0.53** |
| | | | **2024-25** | **-** | **-** | **-** | **-** | **4.57** | **4.57** |
| | | Heat Fabs (Firm) | 2025-26 | - | - | - | - | 0.53 | 0.53 |
| | | | 2024-25 | - | - | - | - | 4.48 | 4.48 |
| | | Heatreaters & Engineers (Firm) | 2025-26 | - | - | - | - | - | - |
| | | | 2024-25 | - | - | - | - | 0.09 | 0.09 |
| 3 | Purchase of MEIS and ROTDEP License | | **2025-26** | **-** | **-** | **-** | **0.38** | **-** | **0.38** |
| | | | **2024-25** | **-** | **-** | **-** | **0.48** | **-** | **0.48** |
| | | Consolidated Chemequip (Mfr) Private Limited (formerly known as Friends Fab Form Private Limited) | 2025-26 | - | - | - | 0.38 | - | 0.38 |
| | | | 2024-25 | - | - | - | 0.48 | - | 0.48 |
| 4 | Purchase Equipments, including freight thereon | | **2025-26** | **-** | **-** | **3.03** | **-** | **6.67** | **9.70** |
| | | | **2024-25** | **-** | **-** | **-** | **-** | **-** | **-** |
| | | Heat Fabs (Firm) | 2025-26 | - | - | - | - | 6.67 | 6.67 |
| | | | 2024-25 | - | - | - | - | - | - |
| | | Maxima FRP Product | 2025-26 | - | - | 3.03 | - | - | 3.03 |
| | | | 2024-25 | - | - | - | - | - | - |
| 5 | Interest Paid | | **2025-26** | **-** | **-** | **-** | **-** | **-** | **-** |
| | | | **2024-25** | **-** | **0.79** | **-** | **-** | **-** | **0.79** |
| | | Nishith R Shah | 2025-26 | - | - | - | - | - | - |
| | | | 2024-25 | - | 0.79 | - | - | - | 0.79 |

## Notes forming part of Financial Statements for the year ended March 31, 2026

| Sr. No. | Nature of Transaction | Name of the Party | Financial Year | Subsidiary Company (a) | Key Management personnel(b) | Entities where control exists(c) | Enterprise over which KMP has control(d) | Enterprise over which relative of KMP has control(e) | Total |
|---|---|---|---|---|---|---|---|---|---|
| **6** | **Director Sitting Fees** | | **2025-26** | - | **1.70** | - | - | - | **1.70** |
| | | | **2024-25** | - | **1.10** | - | - | - | **1.10** |
| | | G.Ramakrishnan | 2025-26 | - | 0.43 | - | - | - | 0.43 |
| | | | 2024-25 | - | 0.34 | - | - | - | 0.34 |
| | | Ajay M jain | 2025-26 | - | 0.47 | - | - | - | 0.47 |
| | | | 2024-25 | - | 0.12 | - | - | - | 0.12 |
| | | Lakshmi Kantam M. | 2025-26 | - | 0.25 | - | - | - | 0.25 |
| | | | 2024-25 | - | 0.31 | - | - | - | 0.31 |
| | | Naraynan Nair | 2025-26 | - | 0.19 | - | - | - | 0.19 |
| | | | 2024-25 | - | - | - | - | - | - |
| | | Srinivasan S. | 2025-26 | - | 0.38 | - | - | - | 0.38 |
| | | | 2024-25 | - | 0.34 | - | - | - | 0.34 |
| **7** | **Directors Remueration** | | **2025-26** | - | **121.87** | - | - | - | **121.87** |
| | | | **2024-25** | - | **140.13** | - | - | - | **140.13** |
| | | Dhaval N Parikh | 2025-26 | - | 24.47 | - | - | - | 24.47 |
| | | | 2024-25 | - | 25.62 | - | - | - | 25.62 |
| | | Gaurang N Parikh | 2025-26 | - | 32.37 | - | - | - | 32.37 |
| | | | 2024-25 | - | 38.35 | - | - | - | 38.35 |
| | | Nishith R Shah | 2025-26 | - | 45.82 | - | - | - | 45.82 |
| | | | 2024-25 | - | 61.72 | - | - | - | 61.72 |
| | | Pankil N Dharia | 2025-26 | - | 15.25 | - | - | - | 15.25 |
| | | | 2024-25 | - | 14.44 | - | - | - | 14.44 |
| | | Rakesh S. Jadhav | 2025-26 | - | 3.97 | - | - | - | 3.97 |
| | | | 2024-25 | - | - | - | - | - | - |
| **8** | **Expenses incurred on behalf of Subsidiary** | | **2025-26** | - | - | - | - | - | - |
| | | | **2024-25** | **0.59** | - | - | - | - | **0.59** |
| | | | 2025-26 | - | - | - | - | - | - |
| | | Prasol Aromatics Private Limited | 2024-25 | 0.59 | - | - | - | - | 0.59 |
| **9** | **Salary Paid** | | **2025-26** | - | **11.25** | - | - | - | **11.25** |
| | | | **2024-25** | - | **8.54** | - | - | - | **8.54** |
| | | Rahul A Shroff | 2025-26 | - | 9.80 | - | - | - | 9.80 |
| | | | 2024-25 | - | 7.18 | - | - | - | 7.18 |
| | | Kiran Agrawal | 2025-26 | - | 1.45 | - | - | - | 1.45 |
| | | | 2024-25 | - | 1.36 | - | - | - | 1.36 |

## Notes forming part of Financial Statements for the year ended March 31, 2026

| Sr. No. | Nature of Transaction | Name of the Party | Financial Year | Subsidiary Company (a) | Key Management personnel(b) | Entities where control exists(c) | Enterprise over which KMP has control(d) | Enterprise over which relative of KMP has control(e) | Total |
|---|---|---|---|---|---|---|---|---|---|
| **10** | **Vehicle hire charges** | | **2025-26** | **-** | **-** | **-** | **-** | **-** | **-** |
| | | | **2024-25** | **-** | **-** | **-** | **-** | **3.28** | **3.28** |
| | | | 2025-26 | - | - | - | - | - | - |
| | | Wiyo Travel (Firm) | 2024-25 | - | - | - | - | 3.28 | 3.28 |
| **11** | **Loan Taken** | | **2025-26** | **-** | **-** | **-** | **-** | **-** | **-** |
| | | | **2024-25** | **-** | **20.00** | **-** | **-** | **-** | **20.00** |
| | | Nishith R Shah | 2025-26 | - | - | - | - | - | - |
| | | | 2024-25 | - | 20.00 | - | - | - | 20.00 |
| **12** | **Loan Repaid** | | **2025-26** | **-** | **-** | **-** | **-** | **-** | **-** |
| | | | **2024-25** | **-** | **20.00** | **-** | **-** | **-** | **20.00** |
| | | | 2025-26 | - | - | - | - | - | - |
| | | Nishith R Shah | 2024-25 | - | 20.00 | - | - | - | 20.00 |
| **13** | **Remuneration Payable (Directors)** | | **2025-26** | **-** | **31.95** | **-** | **-** | **-** | **31.95** |
| | | | **2024-25** | **-** | **5.98** | **-** | **-** | **-** | **5.98** |
| | | Dhaval N Parikh | 2025-26 | - | 6.36 | - | - | - | 6.36 |
| | | | 2024-25 | - | 1.29 | - | - | - | 1.29 |
| | | Gaurang N Parikh | 2025-26 | - | 8.74 | - | - | - | 8.74 |
| | | | 2024-25 | - | 1.59 | - | - | - | 1.59 |
| | | Nishith R Shah | 2025-26 | - | 12.40 | - | - | - | 12.40 |
| | | | 2024-25 | - | 2.17 | - | - | - | 2.17 |
| | | Pankil N Dharia | 2025-26 | - | 4.19 | - | - | - | 4.19 |
| | | | 2024-25 | - | 0.93 | - | - | - | 0.93 |
| | | Rakesh S. Jadhav | 2025-26 | - | 0.27 | - | - | - | 0.27 |
| | | | 2024-25 | - | - | - | - | - | - |
| **14** | **Outstanding Debit Balance** | | **2025-26** | **-** | **-** | **0.12** | **-** | **-** | **0.12** |
| | | | **2024-25** | **-** | **-** | **0.15** | **-** | **-** | **0.15** |
| | | Maxima FRP Product | 2025-26 | - | - | 0.12 | - | - | 0.12 |
| | | | 2024-25 | - | - | 0.15 | - | - | 0.15 |
| **15** | **Outstanding Credit balance** | | **2025-26** | **-** | **2.03** | **-** | **-** | **-** | **2.03** |
| | | | **2024-25** | **-** | **0.65** | **-** | **-** | **1.00** | **1.65** |
| | | Heat Fabs (Firm) | 2025-26 | - | - | - | - | - | - |
| | | | 2024-25 | - | - | - | - | 0.85 | 0.85 |
| | | Wiyo Travel (Firm) | 2025-26 | - | - | - | - | - | - |
| | | | 2024-25 | - | - | - | - | 0.15 | 0.15 |
| | | Maxima FRP Product | 2025-26 | - | - | 1.64 | - | - | 1.64 |
| | | | 2024-25 | - | - | - | - | - | - |
| | | Rahul A Shroff | 2025-26 | - | 1.93 | - | - | - | 1.93 |
| | | | 2024-25 | - | 0.56 | - | - | - | 0.56 |
| | | Kiran Agrawal | 2025-26 | - | 0.11 | - | - | - | 0.11 |
| | | | 2024-25 | - | 0.09 | - | - | - | 0.09 |

## Notes forming part of Financial Statements for the year ended March 31, 2026

### 46. Disclosure in terms of Ind AS 115

**Revenue from Contract with customers :**

**i) Revenue from contracts with customers :**

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Revenue recognised at point in time | 12,287.94 | 10,082.47 |
| Revenue recognised over time | - | - |
| Total revenue from contracts with customers under Ind AS 115 | 12,287.94 | 10,082.47 |
| Other operating revenue | 37.99 | 42.48 |
| **Total revenue from operation** | **12,325.93** | **10,124.95** |

**i. a) Reconciliation of revenue from contract price with customer is as follows:**

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Revenue as per contract price with customer | 12,348.89 | 10,141.96 |
| Less: - Adjustments towards discounts, rebates, incentives etc | 22.96 | 17.01 |
| **Revenue as recognised in the financial statmenents** | **12,325.93** | **10,124.95** |

**ii) Disaggregated revenue**

The chief operating decision maker monitors the operating results of its Business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on Profit or Loss and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of nature of products / service.

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Within India | 8,962.13 | 7,255.03 |
| Outside India | 3,363.80 | 2,869.92 |
| **Total** | **12,325.93** | **10,124.95** |

**iii) Sales by performance obligation**

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Upon shipment | **12,325.93** | **10,124.95** |

**iv) Movement of contract asset and contract liabilities**

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **A) Contract liabilities :** | | |
| Advances from customers | | |
| Balance as at the beginning of the year | 126.03 | 105.86 |
| Add: addition during the year | 202.15 | 126.03 |
| Less: transferred to receivable | 126.03 | 105.86 |
| **Balance as at the end of the year** | **202.15** | **126.03** |

## Notes forming part of Financial Statements for the year ended March 31, 2026

### 47. Disclosure in terms of Ind AS 116

**As Lessee**

The following table sets out a maturity analysis of lease payaments, showing undiscounted lease payments to be paid after the reporting year.

**1. Amounts recognised in Balance sheet and Profit and loss Account**

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Right to use Assets and Leasehold land :** | | |
| Addition during the year | - | 2.97 |
| Amortization for the year | 1.34 | 1.32 |
| Carrying amount | 79.29 | 80.63 |
| **Lease Liability** | | |
| Non Current | 4.32 | 4.80 |
| Current | 0.48 | 0.48 |
| **Cash Outflow for Lease:** | | |
| Lease payment | 0.48 | 0.48 |

**2. Maturity analysis of lease liabilities**

(₹ in Millions)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Less than one year | 0.48 | 0.48 |
| One to Five years | 2.40 | 2.40 |
| More than Five years | 1.92 | 2.40 |

## Notes forming part of Financial Statements for the year ended March 31, 2026

**48 Financial Ratios to be disclosed:-**

| Sr. no. | Ratio | Numerator | Denominator | FY 25-26 | FY 24-25 | Variance % | Reason for Variance |
|---|---|---|---|---|---|---|---|
| 1 | Current Ratio | Current Assets | Current Liabilities | 1.54 | 1.34 | 15.09% | * |
| 2 | Debt-Equity Ratio | Total Debt | Total Equity | 0.25 | 0.27 | -10.76% | * |
| 3 | Debt Service Coverage Ratio | Earnings Available for debt service | Debt service | 5.38 | 1.54 | 248.57% | The ratio has improved due to increase in net profit before taxes. |
| 4 | Return on Equity Ratio | Net profit after taxes | Average shareholders equity | 20.37% | 12.57% | 62.10% | The ratio has improved due to increase in net profit after taxes. |
| 5 | Inventory Turnover Ratio | Cost of good sold | [(Opening Inventory+ Closing Invetory)/2] | 5.59 | 5.75 | -2.70% | * |
| 6 | Trade Receivables Turnover Ratio | Turnover | [(Opening Recivables + Closing Recivables)/2] | 5.18 | 5.66 | -8.53% | The ratio has improved due to improvement in better credit discipline and Lower credit risk & bad debts |
| 7 | Trade payables Turnover Ratio | Purchase | [(Opening payable + Closing payable)/2] | 4.22 | 4.21 | 0.19% | * |
| 8 | Net capital Turnover Ratio | Net Sales | Working Capital | 7.40 | 10.72 | -30.96% | The ratio has improved due to effective use of working capital. |
| 9 | Net Profit Ratio | Net profit after tax | Net sales | 6.74% | 4.30% | 56.71% | The ratio has improved due to increase in margin and reduction in other expenditure. |
| 10 | Return on Capital Employed | Earnings before interest & Taxes | Capital Employed | 20.42% | 13.50% | 51.28% | The ratio has improved due to increase in EBIT. |

*As per the guidance note issued by The Institute of Chartered Accountant of India the Company is not required to give an explanation for changes in ratios that are less than 25% compared to the preceding year.

**49** The Government of India has notified the implementation of four new Labour Codes on November 21, 2025, by consolidating and rationalizing 29 existing labour laws, bringing key sections of the Code into force from that date. The management has carried out a review of the provisions of the new labour codes impact on the Provision for Gratuity and has provided for an incremental estimated provision of past service cost of ₹ 9.12 million (based on actuarial valuation) for the year ended March 31, 2026 in accordance with Ind AS 19 - 'Employee Benefits'. Following the notification of Central Rules, the Company continues to monitor the developments relating to the State Rules under the New Labour Code and will evaluate the impact, if any and give appropriate accounting effect as and when State Rules are notified.

**50** During the year, the Company has filed Draft Red Herring Prospectus (DRHP) with Securities Exchange Board of India (SEBI) in connection with Initial Public Offer (IPO) for issue of equity shares. The company has received approval from SEBI in March 2026 which is valid for a period of 12 months from the date of approval and has also received in principal approval from Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in month of December 2025. The Company has incurred an expenditure of ₹ 29.22 Mn till 31st March 2026 in connection with the proposed IPO. Pending completion of the IPO process, the said amount is carried

## Notes forming part of Financial Statements for the year ended March 31, 2026

forward under Other Current Assets in Note No. 14. As permitted by section 52 of the Companies Act, 2013, the Company intends to adjust the said expenditure against 'Securities Premium' that will arise out of the proceeds of the IPO.

**51 Additional Disclosures :**

i) The Company has neither advanced any loans nor invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

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)

b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

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

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 on behalf of the Ultimate Beneficiaries.

**52 Other Disclosures**

a. The Company does not have any proceedings which have been initiated or pending against the Company for holding any Benami property;

b. The Company does not have any transactions with struck off companies;

c. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory year.

d. The Company has neither traded or invested, nor holds Crypto currency or Virtual Currency during the year;

e. During the year, there were no instances of surrender or disclosure of income in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

f. The Company is not declared as willful defaulter by any bank or financial Institution or other lender.

g. There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

As per our attached report of even date
**For C N K & Associates LLP**
Chartered Accountants
Firm Registration No.: 101961W/W100036

**Diwakar Sapre**
Partner
Membership No. 040740

Place: Navi Mumbai
Date: June 15, 2026

For and on behalf of the Board of Directors of
**Prasol Chemicals Limited**

**Nishith R. Shah**
Chairman and Whole Time Director
DIN:00381267

**Dhaval Parikh**
Joint Managing Director
DIN:01636199

**Rahul A. Shroff**
Chief Financial Officer & Finance Director

**Kiran Agrawal**
Company Secretary
Membership No. A13188

Place: Navi Mumbai
Date : June 15, 2026

# Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN THAT THE THIRTY FOURTH ANNUAL GENERAL MEETING OF THE MEMBERS OF PRASOL CHEMICALS LIMITED WILL BE HELD ON THURSDAY, JULY 16, 2026 AT 11.30 AM (IST) AT PRASOL HOUSE, PLOT NO. A-17/2/3, T.T.C. INDUSTRIAL AREA, KHAIRNE MIDC, NAVI MUMBAI, THANE – 400 710 TO TRANSACT THE FOLLOWING BUSINESS:**

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2026 together with the Report of the Board of Directors' and the Auditors' thereon.
2. To declare Final dividend of ₹ 1.20 per equity share of the face value of ₹ 2 each for the Financial Year ended March 31, 2026.
3. To appoint director in place of Mr. Dhaval Parikh (DIN: 01636199), who retires by rotation and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:**

4. **INCREASING THE BORROWING POWERS UNDER SECTION 180(1)(C) OF THE COMPANIES ACT, 2013**

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

   "**RESOLVED THAT** in supersession of the Resolution passed by the members at the Annual General Meeting held on September 15, 2023 and at the Extraordinary General Meeting held on March 3, 2022 and all other earlier resolutions passed in this regard and pursuant to the provisions of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof), applicable provisions of the Foreign Exchange Management Act, 1999 read with rules or regulations framed thereunder, Memorandum and Articles of Association of the Company and such other applicable laws and regulations and subject to the permissions, approvals, consents and sanctions as may be necessary to be obtained from the appropriate authorities, to the extent applicable and other regulatory authority(ies) as may be applicable, unanimous consent of the members be and is hereby accorded to the Board of Directors (which term shall be deemed to include any Committee, which the Board has constituted to exercise its powers, including the powers, conferred by this Resolution), to borrow from time to time, any sum or sums of money, whether in Indian Rupees or foreign currency, in such manner, from, including without limitation, any person, company, individual, related parties, any Bank and/or other Financial Institution(s) and/or foreign lender(s) and/or any Body Corporate(s)/ entity/entities and/or authority/authorities and/ or through suppliers credit, mortgage, charge or hypothecation, pledge or otherwise in any way whatsoever, on, over or in any respect of all, or any of the company's assets and effects or properties including stock in trade, any other securities or instruments (including foreign instruments/securities), such as floating rate notes, fixed rate notes, syndicated loans, debentures, commercial papers, short term loans or any other instruments etc. and/or through credit from official agencies and/or by way of commercial borrowings from the private sector window of multilateral financial institution, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate for an aggregate amount not exceeding ₹ 1400 Crores (Rupees One Thousand Four Hundred Crores Only), notwithstanding that the aggregate of such borrowings together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves;

   **RESOLVED FURTHER THAT** consent of the members be and is hereby accorded to the Board of Directors of the Company (which term shall be deemed to include any Committee, which the Board has constituted to exercise its powers, including the powers, conferred by this Resolution), to use / modify / amend / reduce/ enhance the existing or new borrowing facilities inter-changeably among various lenders, without any restriction on borrowing from a specific lender, subject to the overall borrowing limit;

   **RESOLVED FURTHER THAT** consent of the members be and is hereby accorded to the Board of Directors of the Company (which term shall be deemed to include any Committee, which the Board has constituted to exercise its powers, including the powers, conferred by this Resolution) to do all such acts, deeds, matters and things, give such directions as may be deemed necessary or expedient, or settle the terms and conditions of such instrument, securities, loan, debt instrument, agreement as the case may be, on which all moneys as are borrowed, or to be borrowed, from time to time, as to interest, repayment, security, or otherwise howsoever as it may think fit, and to execute all such documents, instruments and writings as may be required to give effect to this resolution and for matters connected herewith or incidental hereto, including intimating the concerned authorities or regulatory bodies and delegating all or any of the powers conferred herein to any committee of Directors of the Company."

**5. CREATION OF CHARGES, MORTGAGES, HYPOTHECATION ON THE MOVEABLE AND IMMOVABLE PROPERTIES OF THE COMPANY UNDER SECTION 180(1)(a) OF THE COMPANIES ACT, 2013**

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

"**RESOLVED THAT** in supersession of the Resolution passed by the members at the Extraordinary General Meeting held on March 3, 2022 and all other earlier resolutions passed in this regard and pursuant to the provision of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), applicable provisions of the Foreign Exchange Management Act, 1999 read with rules or regulations framed thereunder, Memorandum and Articles of Association of the Company and such other applicable laws and regulations and subject to the permissions, approvals, consents and sanctions as may be necessary to be obtained from appropriate authorities, to the extent applicable and wherever required, consent of the Members be and is hereby accorded to the Board of Directors (which term shall be deemed to include any Committee, which the Board has constituted to exercise its powers, including the powers, conferred by this Resolution), to the creation of security/ mortgage/ pledge/ hypothecation/ charge or encumbrances (whether fixed or floating), in such form and manner as may be deemed appropriate, in addition to the existing charges, of the Company over all or any of the immovable and movable properties and assets of the Company wheresoever situate, both present and future, of the whole or any part of the undertaking(s) of the Company together with power to take over the management of the business and concern of the Company in certain events of defaults to secure the borrowings of the Company in any form, aggregate value of which shall not exceed at any time ₹ 1400 crores (Rupees One Thousand Four Hundred Crores Only), from any Banks/ Financial Institutions, any other lending institutions in India or abroad or other investing agencies and trustees for holders of debentures/ bonds/ other instruments to secure rupee/ foreign currency loan/bonds/ foreign currency convertible bonds/ debentures or any other instruments/ securities (hereinafter collectively referred to as "Loans") together with interest at the agreed rates, compound/further interest, commitment charges, charges, expenses and all other monies payable by the Company in respect of the said loans in terms of the agreements entered into or to be entered into by the Company in respect of the said loans/borrowings and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board (which term shall be deemed to include any Committee, which the Board has constituted to exercise its powers, including the powers, conferred by this Resolution) and the lender(s)/agent(s) of lender(s)/trustee(s) of lender(s);

**RESOLVED FURTHER THAT** consent of the members be and is hereby accorded to the Board of Directors of the Company (which term shall be deemed to include any Committee, which the Board has constituted to exercise its powers, including the powers, conferred by this Resolution) to negotiate, finalise with the abovementioned lending institution(s) or lending entity(ies) the documents for creating the aforesaid mortgages and/ or charges and, and to take all such steps and to do all such acts, deeds and things as may be deemed proper, necessary, desirable or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto including but not limited to settle any questions or resolve difficulties that may arise in this regard."

**6. RATIFY REMUNERATION OF COST AUDITOR FOR THE FINANCIAL YEAR ENDING MARCH 31, 2027**

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

"**RESOLVED THAT** pursuant to the provisions of section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and pursuant to the recommendation of the Audit Committee, the Company be and hereby ratifies remuneration of ₹ 90,000 (Rupees Ninety Thousand Only) (excluding Taxes plus out of pocket expenses at actual) payable to Mr. Rajesh Soni, Cost Accountant (Membership No. 12107), appointed by the Board of Directors as Cost Auditor, to conduct the audit of cost records of the Company for the Financial Year ending March 31, 2027;

**RESOLVED FURTHER THAT** the Board of Directors and/or the Key Managerial Personnel and /or any other person authorized by the Board of Directors of the Company, be and are hereby authorized to do all acts, deeds, things, matters and take all such steps, as it may, in its absolute discretion, deem necessary, proper or expedient to give effect to this resolution."

**7. RE-APPOINTMENT OF PROF (MS) LAKSHMI KANTAM M. (DIN 07831607) AS NON-EXECUTIVE INDEPENDENT WOMAN DIRECTOR OF THE COMPANY**

To consider, and if thought fit, to pass, with or without modifications, the following resolution as **Special**

**Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, read along with Schedule IV to the Companies Act, 2013 ('the Act'), the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Regulation 17 and any other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time and as approved by Board of Directors of the Company based on the recommendations of the Nomination and Remuneration Committee, Prof (Ms.) Lakshmi Kantam M. (DIN 07831607), who was appointed as an Independent Woman Director of the Company for a term of five (5) consecutive years commencing from March 1, 2022 to February 28, 2027 (both days inclusive) and who being eligible for re-appointment as an Independent Director and who is not disqualified under section 164(2) of the Act, has given her consent along with a declaration that she meets the criteria for independence under Section 149(6) of the Act and the Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations be and is hereby re-appointed as Non-Executive Independent Woman Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 consecutive years, commencing from March 1, 2027 to February 28, 2032 (both days inclusive) and shall be entitled to receive sitting and other fees for attending meetings of the Board or any committees thereof, such other annual remuneration including commission as may be determined by the Board from time to time;

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) be and is hereby authorised to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute all documents and filing of requisites forms that may be required on behalf of the Company, and generally to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

**8. RE-APPOINTMENT OF MR. G. RAMAKRISHNAN (DIN 00264760) AS NON-EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY**

To consider, and if thought fit, to pass, with or without modifications, the following resolution as **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, read along with Schedule IV to the Companies Act, 2013 ('the Act'), the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Regulation 17 and any other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time and as approved by Board of Directors of the Company based on the recommendations of the Nomination and Remuneration Committee, Mr. G. Ramakrishnan (DIN 00264760), who was appointed as an Independent Director of the Company for a term of five (5) consecutive years commencing from March 1, 2022 to February 28, 2027 (both days inclusive) and who being eligible for re-appointment as an Independent Director and who is not disqualified under section 164(2) of the Act, has given his consent along with a declaration that he meets the criteria for independence under Section 149(6) of the Act and the Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations, be and is hereby re-appointed as Non-Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five (5) consecutive years, commencing from March 1, 2027 to February 28, 2032 (both days inclusive) and shall be entitled to receive sitting and other fees for attending meetings of the Board or any committees thereof, such other annual remuneration including commission as may be determined by the Board from time to time;

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) be and is hereby authorised to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute all documents and filing of requisites forms that may be required on behalf of the Company, and generally to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

**9. RE-APPOINTMENT OF MR SRINIVASAN S. (DIN 09439443) AS NON-EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY**

To consider, and if thought fit, to pass, with or without modifications, the following resolution as **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, read along with Schedule IV to the Companies Act, 2013 ('the Act'), the Companies (Appointment and

Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Regulation 17 and any other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time and as approved by Board of Directors of the Company based on the recommendations of the Nomination and Remuneration Committee, Mr. Srinivasan S. (DIN 09439443), who was appointed as an Independent Director of the Company for a term of five (5) consecutive years commencing from March 1, 2022 to February 28, 2027 (both days inclusive) and who being eligible for re-appointment as Independent Director and who is not disqualified under section 164(2) of the Act, has given his consent along with a declaration that he meets the criteria for independence under Section 149(6) of the Act and the Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations be and is hereby re-appointed as Non-Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five (5) consecutive years, commencing from March 1, 2027 to February 28, 2032 (both days inclusive) and shall be entitled to receive sitting and other fees for attending meetings of the Board or any committees thereof, such other annual remuneration including commission as may be determined by the Board from time to time;

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) be and is hereby authorised to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute all documents and filing of requisites forms that may be required on behalf of the Company, and generally to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

**10. INCREASE THE OVERALL LIMIT OF MAXIMUM REMUNERATION PAYABLE TO ALL THE DIRECTORS AND MANAGERS**

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

**"RESOLVED THAT** in partial modification of the resolution passed by the members at the Annual General Meeting held on September 18, 2024 and in accordance with the provisions of Section 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to the approval of any other statutory authorities, as may be required in this regard and pursuant to the recommendations of the Nomination and Remuneration Committee and the Board of Directors of the Company (the Board) at their respective meetings held on June 15, 2026, approval of the Members of the Company be and is hereby accorded to increase the overall limit of maximum remuneration payable to the Directors, including Managing Director and Whole-time Director, and Manager of the Company in respect of any financial year from the existing limit of 10% of the net profits of the Company, computed in the manner laid down in Section 198 of the Act to an overall monetary ceiling of ₹ 24,50,00,000 (Rupees Twenty-Four Crores Fifty Lakhs Only), in the following manner:

(i) To the Managing Director, Whole-time Director and Manager upto ₹ 23,50,00,000 (Rupees Twenty Three Crores Fifty Lacs Only) (increased from 10%), as may be decided by the Board from time to time in any financial year, without any restriction on individual limit(s) on the remuneration payable to any of the Managerial Personnel, subject to and within the overall limit of ₹23,50,00,000 (Rupees Twenty Three Crores Fifty Lacs Only) as aforesaid;

(ii) To the Directors other than Managing Director and Whole-time Director, upto ₹ 1,00,00,000 (Rupees One Crore Only) from the existing limit of 1%, as may be decided by the Board from time to time

**RESOLVED FURTHER THAT** pursuant to clause (i) of the second proviso to sub section (1) of section 197 and other applicable provisions of the Companies Act, 2013, read with schedule V and the rules made thereunder and as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s), for the time being in force) and as recommended by the Nomination and Remuneration Committee and the Board of Directors, and subject to the approval of any other statutory authorities, as may be required in this regard, the approval of the Members of the Company, be and is hereby accorded to increase the limit of 5% or 10% (as applicable), as stipulated in section 197 of the Companies Act, 2013, payable to any one or more managing directors or whole-time directors of the Company in any financial year upto ₹ 23,50,00,000 (Rupees Twenty-Three Crores Fifty Lacs Only) and in excess of the limit under Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

**RESOLVED FURTHER THAT** the Board of Directors of the Company (which shall be deemed to include any committee constituted/ to be constituted by the Board) be and is hereby authorized to revise the remuneration payable to Mr. Nishith Shah, Chairman & Whole-time Director (DIN 00381267), Mr. Gaurang Parikh, Managing Director (DIN 00190701), Mr. Dhaval Parikh, Joint Managing Director (DIN 01636199), Mr. Pankil Dharia, Whole-time Director – Strategy & Business Development (DIN 03309485) and Mr. Rakesh Jadhav, Whole-time Director – EHS, Governance & Business Process (DIN 07508734) subject to the limit being increased by this resolution under section 197 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 without being required to seek any further consent or approval of the Members of the Company;

**RESOLVED FURTHER THAT** the Board (which term shall be deemed to include any committee, which the Board has constituted to exercise its power including the power conferred by this Resolution) be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary and settle any question or difficulty that may arise, for giving effect to this resolution without being required to seek any further consent or approval of the Members of the Company;

**RESOLVED FURTHER THAT** any one of the Directors and Key Managerial Personnel (KMPs) of the Company be and are hereby severally authorized to furnish a certified copy of this resolution and to do all such acts, deeds, matters and things as may be necessary and expedient to implement this decision."

**11. RE-APPOINTMENT OF MR NISHITH SHAH (DIN: 00381267) AS WHOLE-TIME DIRECTOR OF THE COMPANY**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 ("the Act") and relevant rules framed thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") or any statutory modification(s) or re-enactment(s) thereof, for the time being in force, if any, and pursuant to the recommendation and approval of the Nomination and Remuneration Committee, Audit Committee and the Board of Directors of the Company (the "Board") at the respective meetings held on June 15, 2026, subject to such approvals, permissions and sanctions as may be required, consent of the members of the Company be and is hereby accorded to the re-appointment of Mr. Nishith Shah (DIN: 00381267), as Whole-time Director of the Company for further period of three (3) consecutive years, effective from February 1, 2027 to January 31, 2030 (both days inclusive), not liable to retire by rotation, on such terms and conditions of appointment and remuneration as set out in the Explanatory Statement annexed hereto;

**RESOLVED FURTHER THAT** the Board (which term shall be deemed to include any committee, which the Board has constituted to exercise its power including the power conferred by this Resolution) be and is hereby authorised to alter, revise, vary the terms and conditions of the said appointment including remuneration (including minimum remuneration), from time to time, in such manner as may be mutually agreed with Mr. Nishith Shah, subject to compliance with the applicable provisions of the Act, Schedule V thereto and other applicable laws, without requiring further approval of the members of the Company or otherwise to the end intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution;

**RESOLVED FURTHER THAT** approval of the members of the Company be and is hereby accorded to the payment of remuneration as set out in the Explanatory Statement annexed hereto or such other remuneration as may be mutually agreed in the manner as set out above, as minimum remuneration for a period not exceeding three (3) years or such other period as may be statutorily permitted, in the event of inadequacy or absence of profits as contemplated under Section 197 and all other applicable provisions of the Act read with Schedule V of the Act;

**RESOLVED FURTHER THAT** in the event of any statutory amendments, modifications or relaxation by the Central Government to Schedule V to the Companies Act, 2013, the Board of Directors be and are hereby authorised to vary or increase the remuneration (including the minimum remuneration), that is, the salary, perquisites, allowances, etc. within such prescribed limit or ceiling and the terms and conditions of the said appointment as agreed to between the Board and Mr. Nishith Shah be suitably amended to give effect to such modification, relaxation or variation, subject to such approvals as may be required by law;

**RESOLVED FURTHER THAT** approval of the members of the Company be and is hereby accorded for the payment of aforesaid remuneration in the respective years, even if due to the above payment, the total managerial remuneration is in excess to the over-all limit specified in Section 197 of the Act;

**RESOLVED FURTHER THAT** notwithstanding anything contained herein, wherein any financial year during the aforesaid period, the Company has no profits or its profits are inadequate, the Company will pay to Mr. Nishith Shah, Whole-time Director, remuneration including perquisites etc upto the limit as approved by the members herein above as the minimum remuneration;

**RESOLVED FURTHER THAT** approval of the Company be and is hereby accorded to the Board of Directors of the Company (which shall be deemed to include any Committee constituted /to be constituted by the Board) to take all such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and to execute all necessary documents, applications, returns and writings that may be required on behalf of the Company, and generally to do all acts, deeds and things that may be necessary, proper or expedient or incidental for giving effect to the foregoing resolution."

**12. RE-APPOINTMENT OF MR. GAURANG PARIKH (DIN: 00190701) AS MANAGING DIRECTOR OF THE COMPANY**

To consider, and if thought fit, to pass, with or without modifications, the following resolution as **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 ("the Act") and relevant rules framed thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") or any statutory modification(s) or re-enactment(s) thereof, for the time being in force, if any, and pursuant to the recommendation and approval of the Nomination and Remuneration Committee, Audit Committee and the Board of Directors of the Company (the "Board") at the respective meetings held on June 15, 2026 , subject to such approvals, permissions and sanctions as may be required, consent of the members of the Company be and is hereby accorded to the re-appointment of Mr. Gaurang Parikh (DIN: 00190701), as Managing Director of the Company for a further period of three (3) consecutive years, effective from February 1, 2027, to January 31, 2030 (both days inclusive), liable to retire by rotation, on such terms and conditions of appointment and remuneration as set out in the Explanatory Statement annexed hereto;

**RESOLVED FURTHER THAT** the Board (which term shall be deemed to include any committee, which the Board has constituted to exercise its power including the power conferred by this Resolution) be and is hereby authorised to alter, revise, vary the terms and conditions of the said appointment including remuneration (including minimum remuneration), from time to time, in such manner as may be mutually agreed with Mr. Gaurang Parikh, subject to compliance with the applicable provisions of the Act, Schedule V thereto and other applicable laws, without requiring further approval of the members of the Company or otherwise to the end intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution;

**RESOLVED FURTHER THAT** approval of the members of the Company be and is hereby accorded to the payment of remuneration as set out in the Explanatory Statement annexed hereto or such other remuneration as may be mutually agreed in the manner as set out above, as minimum remuneration for a period not exceeding three (3) years or such other period as may be statutorily permitted, in the event of inadequacy or absence of profits as contemplated under Section 197 and all other applicable provisions of the Act read with Schedule V of the Act;

**RESOLVED FURTHER THAT** in the event of any statutory amendments, modifications or relaxation by the Central Government to Schedule V to the Companies Act, 2013, the Board of Directors be and are hereby authorised to vary or increase the remuneration (including the minimum remuneration), that is, the salary, perquisites, allowances, etc. within such prescribed limit or ceiling and the terms and conditions of the said appointment as agreed to between the Board and Mr. Gaurang Parikh be suitably amended to give effect to such modification, relaxation or variation, subject to such approvals as may be required by law;

**RESOLVED FURTHER THAT** approval of the members of the Company be and is hereby accorded for the payment of aforesaid remuneration in the respective years, even if due to the above payment, the total managerial remuneration is in excess to the over-all limit specified in Section 197 of the Act;

**RESOLVED FURTHER THAT** notwithstanding anything contained herein, wherein any financial year during the aforesaid period, the Company has no profits or its profits are inadequate, the Company will pay to Mr. Gaurang Parikh, Managing Director, remuneration including perquisites etc upto the limit as approved by the members herein above as the minimum remuneration;

**RESOLVED FURTHER THAT** approval of the Company be and is hereby accorded to the Board of Directors of the Company (which shall be deemed to include any Committee constituted /to be constituted by the Board) to do all such acts, deeds, matters and things and to take all such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental

thereto and to sign and to execute all necessary documents, applications, returns and writings that may be required on behalf of the Company, and generally to do all acts, deeds and things that may be necessary, proper or expedient or incidental for giving effect to the foregoing resolution."

**13. RE-APPOINTMENT OF MR DHAVAL PARIKH (DIN: 01636199) AS JOINT MANAGING DIRECTOR OF THE COMPANY**

To consider, and if thought fit, to pass, with or without modifications, the following resolution as **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 ("the Act") and relevant rules framed thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") or any statutory modification(s) or re-enactment(s) thereof, for the time being in force, if any and pursuant to the recommendation and approval of the Nomination and Remuneration Committee, Audit Committee and the Board of Directors of the Company (the "Board") at the respective meetings held on June 15, 2026, subject to such approvals, permissions and sanctions as may be required, consent of the members of the Company be and is hereby accorded to the re-appointment of Mr. Dhaval Parikh (DIN: 01636199), as Joint Managing Director of the Company for a further period of three (3) consecutive years, effective from February 1, 2027, to January 31, 2030 (both days inclusive), liable to retire by rotation, on such terms and conditions of appointment and remuneration as set out in the Explanatory Statement annexed hereto;

**RESOLVED FURTHER THAT** the Board (which term shall be deemed to include any committee, which the Board has constituted to exercise its power including the power conferred by this Resolution) be and is hereby authorised to alter, revise, vary the terms and conditions of the said appointment including remuneration (including minimum remuneration), from time to time, in such manner as may be mutually agreed with Mr. Dhaval Parikh, subject to compliance with the applicable provisions of the Act, Schedule V thereto and other applicable laws, without requiring further approval of the members of the Company or otherwise to the end intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution;

**RESOLVED FURTHER THAT** approval of the members of the Company be and is hereby accorded to the payment of remuneration as set out in the Explanatory Statement annexed hereto or such other remuneration as may be mutually agreed in the manner as set out above, as minimum remuneration for a period not exceeding three (3) years or such other period as may be statutorily permitted, in the event of inadequacy or absence of profits as contemplated under Section 197 and all other applicable provisions of the Act read with Schedule V of the Act;

**RESOLVED FURTHER THAT** in the event of any statutory amendments, modifications or relaxation by the Central Government to Schedule V to the Companies Act, 2013, the Board of Directors be and are hereby authorised to vary or increase the remuneration (including the minimum remuneration), that is, the salary, perquisites, allowances, etc. within such prescribed limit or ceiling and the terms and conditions of the said appointment as agreed to between the Board and Mr. Dhaval Parikh be suitably amended to give effect to such modification, relaxation or variation, subject to such approvals as may be required by law;

**RESOLVED FURTHER THAT** approval of the members of the Company be and is hereby accorded for the payment of aforesaid remuneration in the respective years, even if due to the above payment, the total managerial remuneration is in excess to the over-all limit specified in Section 197 of the Act;

**RESOLVED FURTHER THAT** notwithstanding anything contained herein, wherein any financial year during the aforesaid period, the Company has no profits or its profits are inadequate, the Company will pay to Mr. Dhaval Parikh, Joint Managing Director, remuneration including perquisites etc upto the limit as approved by the members herein above as the minimum remuneration;

**RESOLVED FURTHER THAT** approval of the Company be and is hereby accorded to the Board of Directors of the Company (which shall be deemed to include any Committee constituted /to be constituted by the Board) to do all such acts, deeds, matters and things and to take all such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and to execute all necessary documents, applications, returns and writings that may be required on behalf of the Company, and generally to do all acts, deeds and things that may be necessary, proper or expedient or incidental for giving effect to the foregoing resolution."

**14. RE-APPOINTMENT OF MR PANKIL DHARIA (DIN: 03309485) AS WHOLE-TIME DIRECTOR OF THE COMPANY**

To consider, and if thought fit, to pass, with or without modifications, the following resolution as **Special**

**Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 ("the Act") and relevant rules framed thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") or any statutory modification(s) or re-enactment(s) thereof, for the time being in force, if any, and pursuant to the recommendation and approval respectively of the Nomination and Remuneration Committee, Audit Committee and the Board of Directors of the Company (the "Board") at the respective meetings held on June 15, 2026, subject to such approvals, permissions and sanctions as may be required, consent of the members of the Company be and is hereby accorded to the re-appointment of Mr. Pankil Dharia (DIN: 03309485), as Whole-time Director - Strategy & Business Development of the Company for a further period of three (3) consecutive years, effective from February 1, 2027 to January 31, 2030 (both days inclusive), liable to retire by rotation, on such terms and conditions of appointment and remuneration as set out in the Explanatory Statement annexed hereto;

**RESOLVED FURTHER THAT** the Board (which term shall be deemed to include any committee, which the Board has constituted to exercise its power including the power conferred by this Resolution) be and is hereby authorised to alter, revise, vary the terms and conditions of the said appointment including remuneration (including minimum remuneration), from time to time, in such manner as may be mutually agreed with Mr. Pankil Dharia, subject to compliance with the applicable provisions of the Act, Schedule V thereto and other applicable laws, without requiring further approval of the members of the Company or otherwise to the end intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution;

**RESOLVED FURTHER THAT** approval of the members of the Company be and is hereby accorded to the payment of remuneration as set out in the Explanatory Statement annexed hereto or such other remuneration as may be mutually agreed in the manner as set out above, as minimum remuneration for a period not exceeding three (3) years or such other period as may be statutorily permitted, in the event of inadequacy or absence of profits as contemplated under Section 197 and all other applicable provisions of the Act read with Schedule V of the Act;

**RESOLVED FURTHER THAT** in the event of any statutory amendments, modifications or relaxation by the Central Government to Schedule V to the Companies Act, 2013, the Board of Directors be and are hereby authorised to vary or increase the remuneration (including the minimum remuneration), that is, the salary, perquisites, allowances, etc. within such prescribed limit or ceiling and the terms and conditions of the said appointment as agreed to between the Board and Mr. Pankil Dharia be suitably amended to give effect to such modification, relaxation or variation, subject to such approvals as may be required by law;

**RESOLVED FURTHER THAT** approval of the members of the Company be and is hereby accorded for the payment of aforesaid remuneration in the respective years, even if due to the above payment, the total managerial remuneration is in excess to the over-all limit specified in Section 197 of the Act;

**RESOLVED FURTHER THAT** notwithstanding anything contained herein, wherein any financial year during the aforesaid period, the Company has no profits or its profits are inadequate, the Company will pay to Mr. Pankil Dharia, Whole-time Director – Strategy & Business Development, remuneration including perquisites etc upto the limit as approved by the members herein above as the minimum remuneration;

**RESOLVED FURTHER THAT** approval of the Company be and is hereby accorded to the Board of Directors of the Company (which shall be deemed to include any Committee constituted /to be constituted by the Board) to do all such acts, deeds, matters and things and to take all such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and to execute all necessary documents, applications, returns and writings that may be required on behalf of the Company, and generally to do all acts, deeds and things that as may be necessary, proper or expedient or incidental for giving effect to the foregoing resolution."

**15. REVISION IN THE REMUNERATION OF MR RAHUL SHROFF, CHIEF FINANCIAL OFFICER & FINANCE DIRECTOR, HOLDING THE OFFICE OR PLACE OF PROFIT IN THE COMPANY:**

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

**"RESOLVED THAT** in partial modification of the resolution passed by the members at the Annual General Meeting held on September 27, 2022 and pursuant to the provisions of Section 188 of the Companies Act, 2013 and rules made thereunder and other applicable provisions, if any, of the Companies Act, 2013, together with Regulation 23 as contained in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to such other approvals as may be necessary and based on the recommendation of the Nomination

and Remuneration Committee, Audit Committee and Board, consent of the members of the Company be and is hereby accorded for revision in the tenure of Mr Rahul Shroff's appointment from 5 years to 10 years i.e. from April 1, 2023 till March 31, 2033, and revision in the monthly remuneration not exceeding ₹ 25,00,000 (Rupees Twenty-Five Lacs Only) and / or CTC upto ₹ 3,00,00,000 (Rupees Three Crores Only) p.a. with effect from April 1, 2026;

**RESOLVED FURTHER THAT** Mr Rahul Shroff shall also be eligible for all other perquisites (including ex-gratia, bonus, incentives) and benefits as are granted to other employees of the Company, in accordance with the Company's practice, rules and regulations from time to time;

**RESOLVED FURTHER THAT** the Board of Directors (which shall be deemed to include any Committee constituted /to be constituted by the Board) be and is hereby authorised to increase the remuneration of Mr Rahul Shroff with effect from April 1, 2026 as mentioned above and thereafter at the end of every 12 months by a maximum of 15% per annum of the remuneration payable for the financial year preceding to the financial year in respect of which such increment pertains;

**RESOLVED FURTHER THAT** the Board of Directors of the Company (which shall be deemed to include any Committee constituted /to be constituted by the Board) be and are hereby authorised to modify the terms and conditions of appointment / remuneration or the scale or any other perquisites payable within the limit permitted as they may deem fit and proper from time to time and or change in his designation;

**RESOLVED FURTHER THAT** Managing Director and/ or Joint Managing Director of the Company and/ or Chairman of the Nomination and Remuneration Committee and / or Human Resources (HR) Head be and are hereby authorized to sign and execute agreement / amendment and other necessary documents as regards to the amendment of the Service / Employment Agreement of Mr. Rahul Shroff, Chief Financial Officer & Finance Director of the Company and to do all such acts, deeds, matters and things including but not limited to filing of requisite application/forms/reports etc with the Ministry of Corporate Affairs and/ or with such other Statutory Authorities as may be required from time to time to give effect to the aforesaid resolution."

**16. AMENDMENT IN THE ARTICLES OF ASSOCIATION**

To consider, and if thought fit, to pass, with or without modifications, the following resolution as **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 5, 14 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder (including any statutory amendment(s) or modification(s) thereto or re-enactment(s) or substitution(s) made thereof for the time being in force) and in order to align the existing Articles of Association of the Company with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (**SEBI Listing Regulations**), Companies Act, 2013 and the stock exchanges where the equity shares of the Company are proposed to be listed, approval of the shareholders be and is hereby accorded to amend Article(s) of Association of the Company by inserting Article 32 and renumbering existing Article:

**(i) INSERTED NEW ARTICLE 32 - PLEDGE OF SECURITIES, LOCK-IN-RESTRICTIONS AND REGULATORY COMPLIANCE**

32. Notwithstanding anything to the contrary contained in these Articles, where any Equity Shares held by persons other than Promoters are required to be locked-in and such lock-in cannot be created or recorded by Depositories for any reason whatsoever including where such Equity Shares are (a) subject to pledge; or (b) under "freeze balance" or "safe keep balance"; or (c) any other form of encumbrance as may be recorded with the Depositories, on a day prior to the commencement of the lock-in period, the Company shall have the power to issue instructions to the Depositories, within such timelines and manner as may be required under the applicable law, including circulars issued by the relevant depositories, directing them to record such Equity Shares as "non-transferable" for the duration of the applicable Lock-in Period. The aforementioned Equity Shares shall be treated as locked-in for the Lock-in Period as specified under the SEBI ICDR Regulations.

In the event of invocation of the pledge on such Equity Shares by the pledgee or exercise of lien on such Equity Shares by any person pursuant to an order or directions of any court, tribunal, any government agency, SEBI or any other authority made or given under any law for the time being in force, whether in whole or in part, the Equity Shares so transferred or received by the pledgee upon such invocation or by such other person upon exercise of lien shall be automatically locked-in and continue to remain locked-in in the demat account of the pledgee for the balance Lock-in Period as specified under the SEBI ICDR Regulations.

In the event of release of the pledge of such Equity Shares by the pledgee, whether in whole or in part, the Equity Shares so released shall continue to remain locked-in in the demat account of the pledgor for the balance Lock-in Period as specified under the SEBI ICDR Regulations.

For the purposes of this Article, (a) "Lock-in Period" means the period for which the entire pre-issue capital of the Company held by persons other than the Promoters and equity shares specified under the proviso to Regulation 17(1) of the SEBI ICDR Regulations, in case of the initial public offering, is locked-in in accordance with Regulation 17 of the SEBI ICDR Regulations; and (b) "SEBI ICDR Regulations" shall mean the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

[Notwithstanding anything contained in these Articles, provisions of this Article 32 shall override any other provisions in these Articles relating to the transfer and transmission of Equity Shares during the applicable Lock-in Period.]

The Board is authorised to take all steps, furnish all declarations and issue all instructions necessary to implement such lock-in and to remove such marking upon expiry of the relevant lock-in period or as otherwise permitted under applicable law.

**RESOLVED FURTHER THAT** Directors and Key Managerial Personnel (KMPs) be and are hereby authorized to take all steps for giving effect to the aforesaid resolution, including filing of the necessary forms with the Registrar of Companies, Maharashtra at Mumbai and do all such acts, deeds, matters and things as may be required to be done to give effect to the above resolution and to settle any question or difficulty that may arise with regard to the aforesaid purpose and which it may deem fit in the interest of the Company;

**RESOLVED FURTHER THAT** a copy of the above resolution, certified to be true by any Director or the KMP, be forwarded to concerned authorities for necessary actions."

**Registered Office:**
**Prasol House, Plot No. A -17/2/3,**
**T.T.C. Industrial Area,**
**Khairne MIDC, Navi Mumbai,**
**Thane – 400 710**
**CIN: U99999MH1992PLC065026**
**Email: investorservices@prasolchem.com**

**By Order of the Board of Directors**
**For Prasol Chemicals Limited**
**CIN U99999MH1992PLC065026**

**Kiran Agrawal**
**Company Secretary & Compliance Officer**
**ACS 13188**

**Place: Navi Mumbai**
**Date: June 15, 2026**

## NOTES

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 with respect to the Special Business under Item No. 4 to 16 as set out in the notice annexed hereto.
2. Corporate members intending to appoint their authorized representatives to attend and vote at the meeting are requested to send to the Company a duly certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting. The representatives of corporate members without proper authorization, may not be able to attend the meeting.
3. Members are requested to immediately intimate changes, if any, in their registered addresses along with the pin code number to the company.

## PROXY

4. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Proxies should be deposited at the registered office of the Company not less than 48 hours before the date of the Annual General Meeting (Hereinafter referred to as "AGM").
5. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than 10 % percent of the total share capital of the Company.
6. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
7. In case of joint holders, the signature of any one holder on proxy form will be sufficient but names of all the joint holders should be stated.

**DIVIDEND**

8. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company shall remain closed from Friday, July 10, 2026 to Thursday, July 16, 2026 (both days inclusive) for the purpose of determining the members who shall be entitled to receive dividend for the financial year 2025 - 26 if approved by the Shareholders at the Annual General Meeting.

   i. The dividend as recommended by the Board of Directors, if approved at the AGM, will be paid subject to deduction of tax at source within a period of 30 days from the date of declaration as under:

      a) To all Beneficial Owners in respect of shares held in dematerialised form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as of the close of business hours on Thursday, July 9, 2026.

      b) To all Members in respect of the shares held in physical form after giving effect to valid transfer, transmission or transposition requests lodged with the Company as of the close of business hours on Thursday, July 9, 2026.

   ii. Payment of dividend shall be made through electronic mode to the Shareholders who have updated their bank account details. Dividend Warrants / Demand Drafts will be dispatched to the registered address of the shareholders who have not updated their bank account details.

   iii. To avoid loss of Dividend Warrants/Demand Drafts in transit and undue delay in receipt of dividend warrants, the Company provides the facility to the Members for remittance of dividend directly in electronic mode through National Automated Clearing House (NACH).

   iv. Shareholders are requested to register e-mail address and bank details as under:

      • Registration of email address for Demat shareholders:

        It is clarified that for permanent registration of e-mail address, the Members are requested to register their e-mail address, in respect of demat holdings with the respective Depository Participant (DP) by following the procedure prescribed by the Depository Participant.

      • Registration of Bank Details for Demat shareholders:

        Members holding shares in electronic forms are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are advised only to the respective Depository Participant of the Members

9. Communication in respect of deduction of tax at source on Dividend payout for all Shareholders:

   i. Dividend income is taxable in the hands of the members and the Company is required to deduct tax at source ("TDS") from dividend paid to the members at prescribed rates in the relevant Income Tax Statutes. In general, no tax will be deducted on payment of dividend to category of members who are resident individuals (with valid PAN details updated in their folio/client ID records) and the total dividend amount payable to them does not exceed ₹ 10,000. Members not falling in the said category, can go through the detailed note with regard to applicability of tax rates for various other categories of members and the documents that need to be submitted for nil or lower tax rate, which has been provided on the Registrar and Transfer Agent's website at https://ris.kfintech.com/form15/forms.aspx?q=0

   ii. Members are requested to note that dividends, if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, the shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, members/claimants are requested to claim their dividends from the Company within the stipulated timeline.

   iii. Please note that the upload of documents (duly completed and signed) on the website of KFin Technologies Limited should be done on or before Record date for the dividend in order to enable the Company to determine and deduct appropriate TDS / Withholding Tax. Incomplete and/or unsigned forms and declarations will not be considered by the Company. All communication received up to Monday, June 29, 2026 at 06:00 P.M. on the tax determination/ deduction shall be considered for the dividend.

   iv. Shareholders may note that in case the tax on said Final dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from you, option is available to you to file the return of income as per the relevant income tax statutes and claim an appropriate refund, if eligible. No claim shall lie against Company for any taxes deducted by the Company.

v. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the shareholder, the shareholder will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any tax proceedings.

vi. This Communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Shareholders should consult their tax advisors for requisite action to be taken by them.

**INSTRUCTIONS FOR MEMBERS**

10. Pursuant to provision of Section 20(2) of the Companies Act, 2013 read with Rule 35 of the Companies (Incorporation) Rules, 2014, as amended, MCA Circulars and SEBI Circular, Notice of the Annual General Meeting along with the Annual Report is being sent through electronic mode to those members whose email addresses are registered with the Company/depositories.

11. Members holding shares in dematerialized form are requested to intimate all changes with respect to their address, bank details, mandate etc. to their respective depository participants. These changes will then be automatically reflected in the Company's records. This will help the Company to provide efficient and better services to the members.

12. Members attending the meeting are requested to bring with them the Attendance Slip attached to the Notice duly filled in and signed and handover the same at the entrance of venue of the meeting.

13. Members are requested to send in their queries at least a week in advance to the Company Secretary at investorservices@prasolchem.com to facilitate clarifications during the meeting.

14. Pursuant to Secretarial Standard 2 ("SS-2") on General Meetings as issued by the Institute of Company Secretaries of India, the route map for reaching the meeting venue showing the prominent landmark is provided at the end of the Notice.

**INSPECTION OF DOCUMENTS**

15. The documents referred to in the resolutions can be inspected at the registered office of the Company at Navi Mumbai between 2 p.m. to 5 p.m. on all working days of the Company up to the conclusion of the Annual General Meeting. The aforesaid documents will also be available for inspection by members at the Annual General Meeting.

16. The register of directors and key managerial personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members up to the conclusion of the Annual General Meeting.

    The register of contracts or arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members up to the conclusion of the Annual General Meeting.

**EXPLANATORY STATEMENT**

(Pursuant to Section 102 of the Companies Act, 2013)

The following statement sets out all material facts relating to the Special Business mentioned in the Notice:

**ITEM NO.4 AND 5**

In accordance with the provisions of Section 180(1)(c) of the Companies Act, 2013, a Company can borrow monies exceeding the aggregate of its paid up capital and free reserves (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) with the approval of Members of the Company by way of a Special Resolution. Accordingly, approval of the Members is being sought to authorize the Board of Directors of the Company (which term shall be deemed to include any Committee, which the Board has constituted to exercise its powers, including the powers, conferred by this Resolution) (Hereinafter referred as "the Board") to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company.

In view of Company's business plan and future growth prospects, the Company may require additional financial assistance from various banks, financial institutions, NBFCs or any other person including related parties.

Keeping in view the above requirement, it is proposed to revise the borrowing powers of the Board up to ₹ 1400 Crores (Rupees Fourteen Hundred Crores Only) for smooth functioning of the Company.

Members have approved to borrow money up to ₹ 600 crores (Rupees Six Hundred crore only) at the Extraordinary General Meeting held on March 3, 2022 and ₹ 100 crores (Rupees One Hundred crore only) at the Annual General Meeting held on September 15, 2023, thereby an aggregate amount not exceeding ₹ 700 crores (Rupees Seven Hundred crore only).

The approval of the members is now being sought to increase borrowing limit by ₹ 700 crores (Rupees Seven Hundred Crores) and an aggregate amount not exceeding ₹1400 Crores (Rupees Fourteen Hundred Crores Only), which is in excess of the aggregate of the paid up share capital and free reserves of the Company at any point of time.

The borrowings of the Company are in general required to be secured by suitable mortgage or charge on all or any of the movable or immovable properties of the Company, in such form, manner and ranking as may be determined by the Board from time to time, in consultation with the lender(s).

The Board recommends resolutions under Item No. 4 and 5 for approval by the members.

None of the Directors, Key Managerial Personnel and their relatives, is in any way, concerned or interested, financially or otherwise in the Special Resolutions set out at Item No. 4 and 5 of the accompanying Notice.

**ITEM NO.6**

Pursuant to the recommendation of the Audit Committee, the Board of Directors recommends the passing of the Ordinary Resolution as set out in Item No. 6 of the accompanying Notice for the approval of the members.

Upon the recommendation of the Audit Committee, the Board of Directors has approved the appointment and remuneration of Mr. Rajesh Soni, Cost Accountant (Membership No. 12107), as Cost Auditor to conduct the audit of the cost accounting records maintained by the Company for the Financial Year ending March 31, 2027 at a remuneration of ₹ 90,000 (Rupees Ninety Thousand Only) (excluding Taxes plus out of pocket expenses at actual).

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

Accordingly, consent of the members is sought for passing of an Ordinary Resolution as set out at Item No.6 of the notice for ratification of the remuneration payable to the Cost Auditor for the Financial Year ending March 31, 2027.

The Board of Directors, based on the recommendation of the Audit Committee, recommends the passing of the Ordinary Resolution as set out in Item No. 6 of the accompanying Notice for the approval of the members.

None of the Directors, Key Managerial Personnel and their relatives, is in any way, concerned or interested, financially or otherwise in the Ordinary Resolutions set out at Item No. 6 of the accompanying Notice.

**ITEM NO.7**

Based on the recommendation of Nomination and Remuneration Committee and confirmation of independence received, the Board of Directors of the Company proposes the re-appointment of Prof. (Ms.) Lakshmi Kantam M. (DIN 07831607) as Non Executive Independent Woman Director of the Company not liable to retire by rotation, for a second term of 5 consecutive years from March 1, 2027 to February 28, 2032 (both days inclusive).

Prof. (Ms.) Lakshmi Kantam M. was appointed as Non-executive Independent Director at the Extraordinary General Meeting (EGM) of the Company held on March 3, 2022 and holds office up to February 28, 2027.

The Board, based on the report of the performance evaluation under Schedule IV of the Companies Act 2013 ("the Act") and Regulation 17, 25 under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and considering the recommendation of the Nomination and Remuneration Committee, that given her background, experience and contribution, the continued association of Prof. (Ms.) Lakshmi Kantam M. would be beneficial to the Company, and it is desirable to continue to avail her services as an Independent Director on the Board of the Company. Details with respect to skill, expertise and competencies are provided in the Corporate Governance section of this Annual Report.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of Independent Directors requires approval of the Members. The Company has also received declaration from Prof. (Ms.) Lakshmi Kantam M. that she meets the criteria of Independence as prescribed both under Section 149(6) of the Act and under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") that she is not disqualified from being re-appointed as a Director in terms of applicable provisions of the Act. In the opinion of the Board, she fulfils the conditions specified under the Act and the SEBI Listing Regulations for re-appointment as an Independent Director and is independent of the management.

In the opinion of the Board, Prof. (Ms.) Lakshmi Kantam M. who is proposed to be re-appointed as an Independent Director of the Company for the period of 5 consecutive years from March 1, 2027 up to February 28, 2032 , fulfils the conditions specified under Section 149(6) and Schedule IV of the Act and is Independent of the management.

Prof. (Ms.) Lakshmi Kantam M. shall be entitled to receive remuneration by way of sitting fees for attending meetings of the Board or Committees thereof or for any other purpose as may be decided by the Board, reimbursement of expenses incurred for participating in such meetings and profit related commission within the limits stipulated under Section 197 of the Act. Copy of the letter of appointment of Prof. (Ms.) Lakshmi Kantam M. setting out the terms and conditions of appointment is available for inspection by the Members on the website of the Company.

Brief Profile and other details of Prof. (Ms.) Lakshmi Kantam M. forms part of the Notes to the Notice.

Disclosures as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India are given hereunder and annexed to this Notice in Annexure I.

She has over 10 years of experience in teaching. Prior to joining our Company, she was associated as a Director with Council of Scientific and Industrial Research – Indian Institute of Chemical Technology, Hyderabad and Godavari Bio-refineries Limited. She is currently working as Dr. B.P. Godrej Distinguished Professor of Green Chemistry and Sustainability Engineering at the Institute of Chemical Technology. She has obtained her PhD degree from Kurukshetra University, Kurukshetra .

Prof. (Ms). Lakshmi Kantam's expertise in research area will be beneficial to the R & D Division and Scientists of the Company and will strengthen the product portfolio by developing the additional products that may be offered to the customers. The forward/backward integration will bring in new dynamic to the Company's growth and value creation. It would be of an immense benefit to the Company to continue to have her association with the Company as Non-Executive Independent Woman Director.

The Board considers that re-appointment of Prof. (Ms.) Lakshmi Kantam M. for the second term would be of immense benefit to the Company and accordingly the Board of Directors of your Company recommends the passing of resolution as set out at Item No.7 as Special Resolution.

None of the Directors, Key Managerial Personnel and their relatives, is in any way, concerned or interested, financially or otherwise in the Resolutions set out at Item No. 7 of the accompanying Notice except Prof. (Ms.) Lakshmi Kantam M., being an appointee.

**ITEM NO.8**

Based on the recommendation of Nomination and Remuneration Committee and confirmation of independence received, the Board of Directors of the Company proposes the re-appointment of Mr. G. Ramakrishnan (DIN 00264760) as Non Executive Independent Director not liable to retire by rotation, for a second term of 5 years from March 1, 2027 to February 28, 2032 (both days inclusive).

Mr. G. Ramakrishnan was appointed as Non-executive Independent Director at the Extraordinary General Meeting of the Company held on March 3, 2022 and holds office up to February 28, 2027.

The Board, based on the report of the performance evaluation under Schedule IV of the Companies Act 2013 ("the Act") and Regulation 17, 25 under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and considering the recommendation of the Nomination and Remuneration Committee, that given his background, experience and contribution, the continued association of Mr. G. Ramakrishnan would be beneficial to the Company, and it is desirable to continue to avail his services as an Independent Director on the Board of the Company. Details with respect to skill, expertise and competencies are provided in the Corporate Governance section of this Annual Report.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of Independent Directors requires approval of the Members. The Company has also received declaration from Mr. G. Ramakrishnan that he meets the criteria of Independence as prescribed both under Section 149(6) of the Act and under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") that he is not disqualified from being re-appointed as a Director in terms of applicable provisions of the Act. In the opinion of the Board, he fulfils the conditions specified under the Act and the SEBI Listing Regulations for re-appointment as an Independent Director and is independent of the management.

In the opinion of the Board, Mr. G. Ramakrishnan who is proposed to be re-appointed as an Independent Director of the Company for the period of 5 consecutive years from March 1, 2027 up to February 28, 2032 , fulfils the conditions specified under Section 149(6) and Schedule IV of the Act and is Independent of the management.

Mr. G. Ramakrishnan shall be entitled to receive remuneration by way of sitting fees for attending meetings of the Board or Committees thereof or for any other purpose as may be decided by the Board, reimbursement of expenses incurred for participating in such meetings and profit related commission within the limits stipulated under Section 197 of the Act. Copy of the letter of appointment of Mr. G. Ramakrishnan setting out the terms and conditions of appointment is available for inspection by the Members on the website of the Company.

Brief Profile and other details of Mr. G. Ramakrishnan forms part of the Notes to the Notice.

Disclosures as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India are given hereunder and annexed to this Notice in Annexure I.

He has around 39 years of experience in accounting and finance. He has been associated as a director with Galaxy Surfactants Limited since 2009 and with Galaxy Emulsifiers Limited since 1986. He is also a 'fellow member' of the Institute of Chartered Accountants of India and the Institute of Cost and Work Accountants of India. He has passed final examination from the Institute of Company Secretaries of India.

He has played a key role in building large specialty chemical company bringing industry knowledge and leadership skills. The Nomination and Remuneration Committee and Board is of the opinion that, Mr. G. Ramakrishnan's innovative ideas and strategic thinking will contribute significantly to the growth of Business and new dimension in the area of Corporate Governance, strengthen on vision & growth and Risk evaluation. It would be of immense benefit to the Company to continue to have his association with the Company as Non-Executive Independent Director.

The Board considers that re-appointment of Mr. G. Ramakrishnan for the second term would be of immense benefit to the Company and accordingly the Board of Directors of your Company recommends the passing of resolution as set out at Item No.8 as Special Resolution.

None of the Directors, Key Managerial Personnel and their relatives, is in any way, concerned or interested, financially or otherwise in the Resolutions set out at Item No. 8 of the accompanying Notice except Mr. G. Ramakrishnan, being an appointee.

**ITEM NO.9**

Based on the recommendation of Nomination and Remuneration Committee and confirmation of independence received, the Board of Directors of the Company proposes the re-appointment of Mr. Srinivasan S. (DIN 09439443) as Non Executive Independent Director not liable to retire by rotation, for a second term of 5 years from March 1, 2027 to February 28, 2032 (both days inclusive).

Mr. Srinivasan S. was appointed as Non-executive Independent Director at the Extraordinary General Meeting of the Company held on March 3, 2022 and holds office up to February 28, 2027.

The Board, based on the report of the performance evaluation under Schedule IV of the Companies Act 2013 ("the Act") and Regulation 17, 25 under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and considering the recommendation of the Nomination and Remuneration Committee, that given his background, experience and contribution, the continued association of Mr. Srinivasan S. would be

beneficial to the Company, and it is desirable to continue to avail his services as an Independent Director on the Board of the Company. Details with respect to skill, expertise and competencies are provided in the Corporate Governance section of this Annual Report.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of Independent Directors requires approval of the Members. The Company has also received declaration from Mr. Srinivasan S. that he meets the criteria of Independence as prescribed both under Section 149(6) of the Act and under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") that he is not disqualified from being re-appointed as a Director in terms of applicable provisions of the Act. In the opinion of the Board, he fulfils the conditions specified under the Act and the SEBI Listing Regulations for re-appointment as an Independent Director and is independent of the management.

Mr. Srinivasan S. shall be entitled to receive remuneration by way of sitting fees for attending meetings of the Board or Committees thereof or for any other purpose as may be decided by the Board, reimbursement of expenses incurred for participating in such meetings and profit related commission within the limits stipulated under Section 197 of the Act. Copy of the letter of appointment of Mr. Srinivasan S. setting out the terms and conditions of appointment is available for inspection by the Members on the website of the Company.

Disclosures as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India are given hereunder and annexed to this Notice in Annexure I.

Brief profile of Mr. Srinivasan S. an is given hereunder:

He has around 16 years of experience in finance industry. Prior to joining our Company, he was associated with Indian Bank, Indian Bank Mutual Fund, Western Coalfields Limited, Indian Aluminium Company Limited, Indian Overseas Bank and Lloyd Finance.

The Nomination and Remuneration Committee and Board is of the opinion that, Mr. Srinivasan S. has wide knowledge and exposure in the fields of accounting, auditing, corporate laws, corporate governance, compliances etc. and his valuable input interalia on the analysis of Financial Statements, product costing and new business financial viability will help the company to optimise its working capital/term loan burden and to utilise its available funds optimally.

Mr. Srinivasan S. possesses requisite skills, experience and knowledge relevant to the Company's business and it would be of an immense benefit to the Company to continue to have his association with the Company as Non-Executive Independent Director.

The Board considers that re-appointment of Mr. Srinivasan S. for the second term would be of immense benefit to the Company and accordingly the Board of Directors of your Company recommends the passing of resolution as set out at Item No.9 as Special Resolution.

None of the Directors, Key Managerial Personnel and their relatives, is in any way, concerned or interested, financially or otherwise in the Resolutions set out at Item No. 9 of the accompanying Notice except Mr. Srinivasan S., being an appointee.

**ITEM NO.10**

Pursuant to the provisions of Section 197 of the Companies Act, 2013 (the Act), the total managerial remuneration payable by a public company, to its Directors, including Managing Director and Whole-time Director, and its Manager in respect of any financial year, shall not exceed 11% of net profits of that Company for that financial year computed as per provisions of Section 198 of the Act, as detailed hereunder:

A. To Managing Director / Whole-time Director / Manager:

| Condition | Maximum Remuneration in any financial year |
|---|---|
| Company with one Managing Director (MD)/ Whole-time Director (WTD)/ Manager | 5% of the net profits of the company. |
| Company with more than one MD/WTD/ Manager | 10% of the net profits of the company. |

B. To other Directors who are neither Managing Directors nor Whole-time Directors:

| Condition | Maximum Remuneration in any financial year |
|---|---|
| If there is a MD/WTD/Manager | 1% of the net profits of the company. |
| If there is no MD/WTD/Manager | 3% of the net profits of the company. |

Pursuant to the Companies (Amendment) Act, 2017, the companies may pay remuneration exceeding the aforesaid limit, subject to the provisions of Schedule V to the Act, as well as other above limits, with the approval of the

members of the Company in general meeting by way of Special Resolution.

With the approval of the members in the 32nd Annual General Meeting held on September 18, 2024, and in accordance with the provisions of Section 197 of the Act, the limit for total managerial remuneration payable to the Company's Directors including Managing Director and Whole-time Director, for any financial year was increased upto ₹ 23,50,00,000 (Rupees Twenty Three Crores Fifty Lacs Only) from the existing limit of 10% of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act.

In the financial year 2025 – 26, total number of whole-time Directors has increased from four to five, hence proposed to revise the remuneration limit approved earlier by the Shareholders. To ensure total Managerial Remuneration is within the overall limit, the Nomination and Remuneration Committee, and the Board of Directors, at their respective meetings held on June 15, 2026, subject to approval of the Members of the Company, approved the proposal to increase the overall limit of maximum remuneration payable to the Directors and individual limit on managerial personnel, including Managing Director and Whole-time Director, and Manager of the Company as set out at Item No. 10 of the accompanying Notice and partially modifying the resolution passed by the members at the Annual General Meeting held on September 18, 2024.

The proposed increase in the overall limit of maximum remuneration payable to the Directors, including Managing Director and Whole-time Director, and Manager of the Company is only to provide Omnibus authority to the Board of Directors to pay remuneration upto the overall maximum limit as specified in the relevant resolutions during challenging times and not with a view to give any additional remuneration to the Managerial Personnel. Except the change in overall limit of maximum remuneration from ₹ 23,50,00,000 to ₹ 24,50,00,000 in any financial year as proposed in the relevant resolution(s), all other terms and conditions of the appointment/re-appointment of Managing Director and Whole-time Director, as set forth in Item No.11 to 14 of the accompanying Notice shall remain unchanged.

The Board recommends the resolutions set out at Item No. 10 of the accompanying Notice to the members for passing as Special Resolution.

None of the Directors, Key Managerial Personnel and their relatives, is in any way, concerned or interested, financially or otherwise in the Resolutions set out at Item No. 10 of the Notice except as under:

Mr. Nishith Shah, Mr. Gaurang Parikh, Mr. Dhaval Parikh, Mr. Pankil Dharia and Mr.Rakesh Jadhav to the extent remuneration paid to them/payable to them and / or to the extent shares held by them.

Mr. Nishith Shah, Chairman & Whole-time Director and his relatives are concerned or interested, financially or otherwise in the Special Resolutions set out at Item No. 10 of the accompanying Notice

Mr. Gaurang Parikh, Managing Director and his relatives are concerned or interested, financially or otherwise in the Special Resolutions set out at Item No. 10 of the accompanying Notice.

Mr. Dhaval Parikh, Joint Managing Director and his relatives are concerned or interested, financially or otherwise in the Special Resolutions set out at Item No. 10 of the accompanying Notice.

Mr. Pankil Dhaira, Whole-time Director – Strategy & Business Development and his relatives are concerned or interested, financially or otherwise in the Special Resolutions set out at Item No. 10 of the accompanying Notice.

Mr. Rakesh Jadhav, Whole-time Director – EHS, Governance & Business Process and his relatives are concerned or interested, financially or otherwise in the Special Resolutions set out at Item No. 10 of the accompanying Notice.

**ITEM NO.11**

Mr. Nishith Shah (DIN 00381267), promoter Director was appointed/re-appointed as Whole-time Director of the Company w.e.f. February 1, 2022 for a period of 5 years on the remuneration and terms and conditions approved by the shareholders of the company at the Extraordinary General Meeting (EGM) held on February 1, 2022 and at the Annual General Meeting held on September 18, 2024.

Mr. Nishith Shah's extensive experience, expertise and valuable insights have been instrumental in driving the Company's efforts towards transformation and growth. It becomes imperative to prioritize the continuity and stability of our current leadership. In recognition of his contributions and in the best interests of the Company, it is proposed to retain him in his current role as Chairman & Whole-Time Director. He exceptionally helped in team building and has made sustained contributions towards the Company's performance and growth.

Based on the performance evaluation, the Nomination and Remuneration Committee ("NRC"), Audit Committee and the Board of Directors at their meetings held on June 15, 2026, have recommended the re-appointment of Mr.

Nishith Shah as the Whole-time Director of the Company designated as "Chairman & Whole-time Director" for a period of 3 years i.e. from February 1, 2027 to January 31, 2030 (both days inclusive) on the terms and conditions including remuneration, as contained in this explanatory statement.

For details pertaining to brief resume of Mr. Nishith Shah and the relevant details and disclosures, as stipulated under the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, please refer to Additional Information provided for Item No. 11 of this Notice in Annexure II.

The Explanatory Statement together with the Resolution set out at Item No.11 of the accompanying Notice is and should also be treated as an abstract of the terms and memorandum of interest under section 190 and other applicable provisions of the Companies Act, 2013.

Mr. Nishith Shah satisfies all the conditions set out in Part-I of Schedule V to the Act except conditions set out under sub-section (3) of Section 196 of the Act. During the tenure of his appointment/re-appointment, he would be crossing the age of 70 years, hence, special resolution is proposed for the members' approval. He is neither disqualified from being appointed as Director in terms of Section 164 of the Act nor debarred from holding the office of a Director by virtue of any order of SEBI or any other such Authority. In accordance with the provisions of Section 197 read with Schedule V of the Companies Act, 2013, members' approval by way of Special Resolution is sought for the payment of remuneration in excess of the limits prescribed under the said Section read with the said schedule, in case of inadequate profits in any financial year during this term of 3 years.

Disclosure as required under Section II of Part II of Schedule V to the Companies Act, 2013 and the corresponding rules is given in Annexure III.

Mr. Nishith Shah possesses graduate level qualification and expertise and specialized knowledge in the field in which the Company operates.

In consideration of the performance of his duties, Nomination & Remuneration Committee, Audit Committee and Board at their respective meeting held on June 15, 2026 has recommended to pay to Mr. Nishith Shah, remuneration as given hereunder with such increments as may be approved by the Board of Directors (which term shall be deemed to include any Committee which the Board has constituted and / or to be constituted thereof) from time to time. The remuneration is categorized as follows:

a) Remuneration: Salary and Allowance up to ₹7,50,00,000 (Rupees Seven Crores Fifty Lacs Only) per annum

b) A performance linked bonus linked to performance up to 1.56% of Profit before Tax

c) Medical Reimbursement, Company Car and other perquisites/benefits as per the Company Policies

d) Gratuity payment as per the Company's policy.

e) Aggregate Salary - The aggregate remuneration in any one financial year shall be within the overall limit of maximum remuneration payable to the Directors and individual limit on managerial personnel, including Managing Director and Whole-time Director, and Manager of the Company as set out at Item No. 10 of the accompanying Notice.

f) Minimum Remuneration - In the event of no profits or inadequacy of profits in any financial year, as contemplated under Section 197 and all other applicable provisions read with Schedule V of the Act, during the currency of tenure of service of the Whole-time Director, the remuneration as detailed above or such other remuneration as may be mutually agreed in the manner set out above, shall be paid as minimum remuneration for a period not exceeding three (3) years or such other period as may be statutorily permitted.

   In the event of any further relaxation by the Central Government in the guidelines or ceilings on managerial remuneration, the Board of Directors will be authorized to revise the remuneration and /or perquisites to Mr. Nishith Shah, Whole-time Director, if they, in their absolute discretion think fit, within such guidelines or ceilings and in accordance with the provisions of the Companies Act, 2013.

g) Notice of Termination - The employment may be terminated by either party by giving to the other party 90 days' notice in accordance with the employment agreement executed with Mr. Nishith Shah, as amended or updated from time to time. In the event, Mr. Nishith Shah ceases to be a Whole-time Director of the Company, he will also ipso facto cease to be a Director of the Company.

The Board is of the view that Mr. Nishith Shah's knowledge and experience will be of immense benefit and value to the Company. Mr. Nishith Shah possesses the core skills/expertise/competencies identified in the Company's

business and sectors for it to function effectively. Details of the skills possessed by him forms part of the Corporate Governance Report.

All the documents referred to at Item No. 11 of the Notice and the Explanatory Statement shall be available for inspection at the Registered Office of the Company.

Based on the recommendation of the Nomination and Remuneration Committee, Audit Committee and the Board of Directors at the meeting held on June 15, 2026 recommends to the members for the appointment/re-appointment of Mr. Nishith Shah as Whole-time Director of the Company for a term of 3 (three) consecutive years with effect from February 1, 2027 up to January 31, 2030 (both days inclusive) by way of Special Resolution as set out in Item No.11 of the accompanying Notice.

None of the Directors, Key Managerial Personnel and their relatives, is in any way, concerned or interested, financially or otherwise in the Resolutions set out at Item No. 11 of the accompanying Notice except Mr. Nishith Shah to the extent remuneration paid to him/payable to him and / or to the extent shares held by him and his relatives and Mr. Rahul Shroff, being the relative of Mr. Nishith Shah.

**ITEM NO. 12**

Mr. Gaurang Parikh (DIN 00190701), promoter Director was appointed/re-appointed as a Managing Director of the Company w.e.f. February 1, 2022 for a period of 5 years on the remuneration and terms and conditions approved by the shareholders of the company at the Extraordinary General Meeting (EGM) held on February 1, 2022 and at the Annual General Meeting held on September 18, 2024.

Mr. Gaurang Parikh's extensive experience and expertise in Chemical industry, Strategic Planning, Business Planning and R & D, it becomes imperative to continue our current leadership. During his tenure, he has made significant contribution towards the diversification of new products with good demand. In recognition of his contributions and in the best interests of the Company, it is proposed to retain him in his current role as Managing Director. He has made sustained contributions towards the Company's performance.

Based on the performance evaluation, the Nomination and Remuneration Committee ("NRC"), Audit Committee and the Board of Directors at their meetings held on June 15, 2026, have recommended the re-appointment of Mr. Gaurang Parikh as the Managing Director of the Company designated as "Managing Director" for a period of 3 years i.e. from February 1, 2027 to January 31, 2030 (both days inclusive) on the terms and conditions including remuneration, as contained in this explanatory statement.

For details pertaining to brief resume of Mr. Gaurang Parikh and the relevant details and disclosures, as stipulated under the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, please refer to Additional Information provided for Item No. 12 of this Notice in Annexure II.

The Explanatory Statement together with the Resolution set out at Item No.12 of the accompanying Notice is and should also be treated as an abstract of the terms and memorandum of interest under section 190 and other applicable provisions of the Companies Act, 2013.

Mr. Gaurang Parikh satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his re-appointment. He is neither disqualified from being appointed as Director in terms of Section 164 of the Act nor debarred from holding the office of a Director by virtue of any order of SEBI or any other such Authority. In accordance with the provisions of Section 197 read with Schedule V of the Companies Act, 2013, members' approval by way of Special Resolution is sought for the payment of remuneration in excess of the limits prescribed under the said Section read with the said schedule, in case of inadequate profits in any financial year during this term of 3 years.

Disclosure as required under Section II of Part II of Schedule V to the Companies Act, 2013 and the corresponding rules is given hereunder and the information not mentioned herein is given in Annexure III.

Mr. Gaurang Parikh possesses graduate level qualification with expertise and specialised knowledge in the field in which the company operates.

In consideration of the performance of his duties, Nomination & Remuneration Committee, Audit Committee and Board at their respective meeting held on June 15, 2026, has recommended to pay to Mr. Gaurang Parikh, remuneration as given hereunder with such increments as may be approved by the Board of Directors (which term shall be deemed to include any Committee which the Board has constituted and /or to be constituted thereof) from time to time. The remuneration is categorized as follows:

a) Remuneration: Salary and Allowance up to ₹ 6,00,00,000 (Rupees Six Crores Only) per annum

b) A performance linked bonus linked to performance upto 1.10% of Profit before Taxes

c) Medical Reimbursement, Company Car and other perquisites/benefits as per the Company Policies

d) Gratuity payment as per the Company's policy.

e) Aggregate Salary - The aggregate remuneration in any one financial year shall be within the overall limit of maximum remuneration payable to the Directors and individual limit on managerial personnel, including Managing Director and Whole-time Director, and Manager of the Company as set out at Item No. 10 of the accompanying Notice.

f) Minimum Remuneration - In the event of no profits or inadequacy of profits in any financial year, as contemplated under Section 197 and all other applicable provisions read with Schedule V of the Act, during the currency of tenure of service of the Managing Director, the remuneration as detailed above or such other remuneration as may be mutually agreed in the manner set out above, shall be paid as minimum remuneration for a period not exceeding three (3) years or such other period as may be statutorily permitted.

In the event of any further relaxation by the Central Government in the guidelines or ceilings on managerial remuneration, the Board of Directors will be authorized to revise the remuneration and /or perquisites to Mr. Gaurang Parikh, Managing Director, if they, in their absolute discretion think fit, within such guidelines or ceilings and in accordance with the provisions of the Companies Act, 2013.

g) Notice of Termination - The employment may be terminated by either party by giving to the other party 90 days' notice in accordance with the employment agreement executed with Mr. Gaurang Parikh, as amended or updated from time to time. In the event, Mr. Gaurang Parikh ceases to be a Managing Director of the Company, he will also ipso facto cease to be a Director of the Company.

The Board is of the view that Mr. Gaurang Parikh's knowledge and experience will be of immense benefit and value to the Company. Mr. Gaurang Parikh possesses the expertise identified in the Company's business and sectors for it to function effectively. Details of the skills possessed by him forms part of the Corporate Governance Report.

All the documents referred to at Item No. 12 of the Notice and the Explanatory Statement shall be available for inspection at the Registered Office of the Company.

Based on the recommendation of the Nomination and Remuneration Committee, Audit Committee and the Board of Directors at the meeting held on June 15, 2026 recommends to the members for the appointment/re-appointment of Mr. Gaurang Parikh as Managing Director of the Company for a term of 3 (three) consecutive years with effect from February 1, 2027 up to January 31, 2030 (both days inclusive) by way of Special Resolution as set out in Item No.12 of the accompanying Notice.

None of the Directors, Key Managerial Personnel and their relatives, is in any way, concerned or interested, financially or otherwise in the Resolutions set out at Item No. 12 of the Notice except Mr. Gaurang Parikh to the extent remuneration paid to him/payable to him and / or to the extent shares held by him and his relatives.

**ITEM NO. 13**

Mr. Dhaval Parikh (DIN 01636199), promoter Director was appointed/re-appointed as a Joint Managing Director of the Company w.e.f. February 1, 2022 for a period of 5 years on the remuneration and terms and conditions approved by the shareholders of the company at the Extraordinary General Meeting (EGM) held on February 1, 2022 and at the Annual General Meeting held on September 18, 2024.

Mr. Dhaval Parikh's extensive experience and expertise in Chemical industry, Strategic Planning, International Business Development and factory debottlenecking for productivity, it becomes imperative to continue our current leadership. During his tenure, he has made significant contribution towards the new business ventures and partnership. In recognition of his contributions and in the best interests of the Company, it is proposed to retain him in his current role as Joint Managing Director. He has made sustained contributions towards the Company's performance.

Based on the performance evaluation, the Nomination and Remuneration Committee ("NRC"), Audit Committee and the Board of Directors at their meetings held on June 15, 2026, have recommended the re-appointment of Mr. Dhaval Parikh as the joint Managing Director of the Company designated as "Joint Managing Director" for a period of 3 years i.e. from February 1, 2027 to January 31, 2030 (both days inclusive) on the terms and conditions including remuneration, as contained in this explanatory statement.

For details pertaining to brief resume of Mr. Dhaval Parikh and the relevant details and disclosures, as stipulated under the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, please refer to Additional Information provided for Item No. 13 of this Notice in Annexure II.

The Explanatory Statement together with the Resolution set out at Item No.13 of the accompanying Notice is

and should also be treated as an abstract of the terms and memorandum of interest under section 190 and other applicable provisions of the Companies Act, 2013.

Mr. Dhaval Parikh satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his re-appointment. He is neither disqualified from being appointed as Director in terms of Section 164 of the Act nor debarred from holding the office of a Director by virtue of any order of SEBI or any other such Authority. In accordance with the provisions of Section 197 read with Schedule V of the Companies Act, 2013, members' approval by way of Special Resolution is sought for the payment of remuneration in excess of the limits prescribed under the said Section read with the said schedule, in case of inadequate profits in any financial year during this term of 3 years.

Disclosure as required under Section II of Part II of Schedule V to the Companies Act, 2013 and the corresponding rules is given hereunder and the information not mentioned herein is provided in Annexure III.

Mr. Dhaval Parikh possesses graduate level qualification with expertise and specialised knowledge in the field in which the company operates.

In consideration of the performance of his duties, Nomination & Remuneration Committee, Audit Committee and Board at their respective meetings held on June 15, 2026, has recommended to pay to Mr. Dhaval Parikh, remuneration as given hereunder with such increments as may be approved by the Board of Directors (which term shall be deemed to include any Committee which the Board has constituted and / or to be constituted thereof) from time to time. The remuneration is categorized as follows:

a) Remuneration: Salary and Allowance up to ₹ 5,00,00,000 (Rupees Five Crores Only) per annum

b) A performance linked bonus linked to performance up to 0.83% of Profit before Taxes

c) Medical Reimbursement, Company Car and other perquisites/benefits as per the Company Policies

d) Gratuity payment as per the Company's policy.

e) Aggregate Salary - The aggregate remuneration in any one financial year shall be within the overall limit of maximum remuneration payable to the Directors and individual limit on managerial personnel, including Managing Director and Whole-time Director, and Manager of the Company as set out at Item No. 10 of the accompanying Notice.

f) Minimum Remuneration - In the event of no profits or inadequacy of profits in any financial year, as contemplated under Section 197 and all other applicable provisions read with Schedule V of the Act, during the currency of tenure of service of the Joint Managing Director, the remuneration as detailed above or such other remuneration as may be mutually agreed in the manner set out above, shall be paid as minimum remuneration for a period not exceeding three (3) years or such other period as may be statutorily permitted.

   In the event of any further relaxation by the Central Government in the guidelines or ceilings on managerial remuneration, the Board of Directors will be authorized to revise the remuneration and /or perquisites to Mr. Dhaval Parikh, Joint Managing Director, if they, in their absolute discretion think fit, within such guidelines or ceilings and in accordance with the provisions of the Companies Act, 2013.

g) Notice of Termination - The employment may be terminated by either party by giving to the other party 90 days' notice in accordance with the employment agreement executed with Mr. Dhaval Parikh, as amended or updated from time to time. In the event, Mr. Dhaval Parikh ceases to be a Joint Managing Director of the Company; he will also ipso facto cease to be a Director of the Company.

The Board is of the view that Mr. Dhaval Parikh's knowledge and experience will be of immense benefit and value to the Company. Mr. Dhaval Parikh possesses the expertise identified in the Company's business and sectors for it to function effectively. Details of the skills possessed by him forms part of the Corporate Governance Report.

All the documents referred to at Item No.13 of the Notice and the Explanatory Statement shall be available for inspection at the Registered Office of the Company.

Based on the recommendation of the Nomination and Remuneration Committee, Audit Committee and the Board of Directors at the meeting held on June 15, 2026 recommends to the members for the appointment/re-appointment of Mr. Dhaval Parikh as Joint Managing Director of the Company for a term of 3 (three) consecutive years with effect from February 1, 2027 up to January 31, 2030 (both days inclusive) by way of Special Resolution as set out in Item No.13 of the accompanying Notice.

None of the Directors, Key Managerial Personnel and their relatives, is in any way, concerned or interested,

financially or otherwise in the Resolutions set out at Item No. 13 of the Notice except Mr. Dhaval Parikh to the extent remuneration paid to him/payable to him and / or to the extent shares held by him and his relatives.

**ITEM NO. 14**

Mr. Pankil Dharia (DIN 03309485), promoter Director was appointed/re-appointed as a Whole-time Director – Strategy & Business Development of the Company w.e.f. February 1, 2022 for a period of 5 years on the remuneration and terms and conditions approved by the shareholders of the company at the Extraordinary General Meeting (EGM) held on February 1, 2022 and at the Annual General Meeting held on September 18, 2024.

Mr. Pankil Dharia's extensive experience and expertise in Chemical industry, Strategic Planning, Domestic Business Development and contribution towards significant market presence and sales performance, it becomes imperative to continue our current leadership. During his tenure, he has made remarkable contribution towards sales and marketing. He drives the company's information technology and Supply Chain Management. In recognition of his contributions and in the best interests of the Company, it is proposed to retain him in his current role as Whole-time Director – Strategy & Business Development. He has made sustained contributions towards the Company's performance.

Based on the performance evaluation, the Nomination and Remuneration Committee ("NRC"), Audit Committee and the Board of Directors at their meetings held on June 15, 2026, have recommended the appointment/re-appointment of Mr. Pankil Dharia as the Whole-time Director of the Company designated as "Whole-time Director-Strategy & Business Development" for a period of 3 years i.e. from February 1, 2027 to January 31, 2030 (both days inclusive) on the terms and conditions including remuneration, as contained in this explanatory statement.

For details pertaining to brief resume of Mr. Pankil Dharia and the relevant details and disclosures, as stipulated under the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, please refer to Additional Information provided for Item No. 14 of this Notice in Annexure II.

The Explanatory Statement together with the Resolution set out at Item No.14 of the accompanying Notice is and should also be treated as an abstract of the terms and memorandum of interest under section 190 and other applicable provisions of the Companies Act, 2013.

Mr. Pankil Dharia satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his appointment/re-appointment. He is neither disqualified from being appointed as Director in terms of Section 164 of the Act nor debarred from holding the office of a Director by virtue of any order of SEBI or any other such Authority. In accordance with the provisions of Section 197 read with Schedule V of the Companies Act, 2013, members' approval by way of Special Resolution is sought for the payment of remuneration in excess of the limits prescribed under the said Section read with the said schedule, in case of inadequate profits in any financial year during this term of 3 years.

Disclosure as required under Section II of Part II of Schedule V to the Companies Act, 2013 and the corresponding rules is given in Annexure III.

Mr. Pankil Dharia possesses graduate level qualification with expertise and specialised knowledge in the field in which the company operates.

In consideration of the performance of his duties, Nomination & Remuneration Committee, Audit Committee and Board at their respective meetings held on June 15, 2026, has recommended to pay to Mr. Pankil Dharia, remuneration as given hereunder with such increments as may be approved by the Board of Directors (which term shall be deemed to include any Committee which the Board has constituted and / or to be constituted thereof) from time to time. The remuneration is categorized as follows

a) Remuneration: Salary and Allowance up to ₹ 4,00,00,000 (Rupees Four Crores Only) per annum

b) A performance linked bonus linked to performance up to 0.50% of Profit before Taxes

c) Medical Reimbursement, Company Car and other perquisites/benefits as per the Company Policies

d) Gratuity payment as per the Company's policy.

e) Aggregate Salary - The aggregate remuneration in any one financial year shall be within the overall limit of maximum remuneration payable to the Directors and individual limit on managerial personnel, including Managing Director and Whole-time Director, and Manager of the Company as set out at Item No. 10 of the accompanying Notice.

f) Minimum Remuneration - In the event of no profits or inadequacy of profits in any financial year, as contemplated under Section 197 and all other applicable provisions read with Schedule V of the Act, during the currency of tenure of service of the Whole-time Director – Strategy & Business Development, the remuneration as detailed

above or such other remuneration as may be mutually agreed in the manner set out above, shall be paid as minimum remuneration for a period not exceeding three (3) years or such other period as may be statutorily permitted.

In the event of any further relaxation by the Central Government in the guidelines or ceilings on managerial remuneration, the Board of Directors will be authorized to revise the remuneration and /or perquisites to Mr. Pankil Dharia, Whole-time Director-Strategy & Business Development, if they, in their absolute discretion think fit, within such guidelines or ceilings and in accordance with the provisions of the Companies Act, 2013.

g) Notice of Termination - The employment may be terminated by either party by giving to the other party 90 days' notice in accordance with the employment agreement executed with Mr. Pankil Dharia as amended or updated from time to time. In the event, Mr. Pankil Dharia ceases to be a Whole-time Director of the Company; he will also ipso facto cease to be a Director of the Company.

The Board is of the view that Mr. Pankil Dharia's knowledge and experience will be of immense benefit and value to the Company. Mr. Pankil Dharia possesses the expertise identified in the Company's business and sectors for it to function effectively. Details of the skills possessed by him forms part of the Corporate Governance Report.

All the documents referred to at Item No.14 of the Notice and the Explanatory Statement shall be available for inspection at the Registered Office of the Company.

Based on the recommendation of the Nomination and Remuneration Committee, Audit Committee and the Board of Directors at the meeting held on June 15, 2026 recommends to the members for the appointment/re-appointment of Mr. Pankil Dharia as Whole-time Director – Strategy & Business Development of the Company for a term of 3 (three) consecutive years with effect from February 1, 2027 up to January 31, 2030 (both days inclusive) by way of Special Resolution as set out in Item No.14 of the accompanying Notice.

None of the Directors, Key Managerial Personnel and their relatives, is in any way, concerned or interested, financially or otherwise in the Resolutions set out at Item No. 14 of the Notice except Mr. Pankil Dharia to the extent remuneration paid to him/payable to him and / or to the extent shares held by him and his relatives.

**ITEM NO.15**

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings with related parties of the Company.

Pursuant to the provisions of Section 188(1) (f) of the Companies Act 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, the appointment of a related party to any office or place of profit in the company, its subsidiary company or associate company at a monthly remuneration exceeding to Rs 2.5 Lakh requires approval of shareholders by way of passing an ordinary resolution.

Mr. Rahul Shroff's appointment and remuneration was approved by the members at the Annual General Meeting held on September 27, 2022. He was appointed as 'Head of Business Development & Finance' w.e.f. April 1, 2023 and in the Board Meeting held on July 4, 2023, he was appointed as KMP of the Company and re-designated as 'Chief Financial Officer & Finance Director.'

He is relative (Daughter's husband) of Mr. Nishith Shah, Chairman and Whole-time Director of the Company (DIN 00381267) hence is a related party in terms of Section 2(76) of the Companies Act (the "Act") and the proposed revision in the remuneration is a related party transaction under Section 188 of the Act and his office is considered an "office or place of profit" and therefore, the Nomination and Remuneration Committee and Audit Committee in its meeting held on June 15, 2026, recommended revision in the tenure and remuneration as under :

- Revision in the existing Tenure from April 1, 2023 to March 31, 2028 to April 1, 2023 to March 31, 2033 and
- Revision in the remuneration from ₹ 1,02, 00,000 (Rupees One Crore Two Lacs Only) up to ₹ 3,00,00,000 (Rupees Three Crores only) per annum

Revision in the tenure and remuneration requires shareholders' approval, hence this matter is placed before members approval.

The proposed remuneration is in accordance with the remuneration being paid to other employees of similar grade and is as per the prevalent industry norms and which is also in sync with his present role and responsibilities associated with his position.

He has made significant contribution in Finance Planning, SWOT analysis and IPO related matters. Keeping in view his significant contribution, the Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee at their meeting held on June 15, 2026 had recommended revision in the remuneration from ₹ 1,02, 00,000 (Rupees One Crore Two Lacs Only) up to ₹ 3, 00, 00,000 (Rupees Three Cores only) per

annum, payable w.e.f April 1, 2026, subject to approval of the Shareholders by way of an Ordinary Resolution. The key terms and conditions of remuneration of Mr. Rahul Shroff are given hereunder in the tabular format.

None of the Directors, Key Managerial Personnel and their relatives, is in any way, concerned or interested, financially or otherwise in the Resolutions set out at Item No. 15 of the Notice except Mr. Rahul Shroff to the extent remuneration paid to him/payable to him and / or to the extent shares held by him and his relatives and Mr. Nishith Shah being his relative.

The relevant details pertaining to the proposed related party transaction as required under Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 issued by the Securities and Exchange Board of India ("SEBI") are as under:

| Sr. No. | Particulars | Details |
|---|---|---|
| **1.** | A summary of the information provided by the management of the entity to the Audit Committee as specified in the said Circular issued by the SEBI: | |
| **a** | **Name of the related party** | **Mr. Rahul Shroff** |
| **b** | Name of Director or Key Managerial Personnel who is related, if any. | Mr. Nishith Shah, Chairman & Whole-time Director |
| c | Nature of relationship | Daughter's Husband of Chairman & Whole-time Director |
| d | The duration/tenure of the proposed transaction | NA |
| e | Nature, material terms of the contract or arrangement including the value, if any | To hold and continue to hold the office or place of profit, Mr. Rahul Shroff's remuneration is proposed to be revised up to ₹ 3,00,00,000 p.a. The revised remuneration along with an additional performance-based incentive/ex-gratia payment and other perquisites will be with effect from April 01, 2026.<br>Revision in the remuneration of the Company's employees follows an established industry practice and is reviewed periodically based on relevant market benchmarks and specific instances such as promotions etc. The remuneration for Mr. Rahul Shroff and any changes to it will follow similar standards and practice as is done for all employees, to establish a fair and reasonable pay for him. |
| f | Any advance paid or received for the contract or arrangement, if any | NIL |
| g | The manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract | NIL |
| h | Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors; | Yes |
| i | Any other information relevant or important for the Board to take a decision on the proposed transaction. | As stated in the Explanatory Statement |
| 2 | Justification as to why the RPT is in the interest of the listed entity; | Mr Rahul Shroff has rich experience in finance, strategy and demonstrated ability for acquiring responsibility.<br>Since his appointment, he has made notable contributions to the Company, particularly in Finance Planning, SWOT analysis and IPO related matters.<br>Given his achievements and the expanded scope of his responsibilities, the Company considers it appropriate to revise his remuneration. |
| 3 | A copy of the valuation or other external party report, if any such report has been relied upon; | NA |

| Sr. No. | Particulars | Details |
|---|---|---|
| 4 | The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual Turnover on a standalone basis shall be additionally provided) | upto 0.24% |
| 5 | If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary | NA |
| 6 | Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis | NA |
| 7 | Any other information relevant or important for the Board to take a decision on the proposed transaction | NIL |

**ITEM NO. 16**

The existing Article of Association of the Company needs to be amended to conform to the requirements of SEBI Circular No. HO/49/ (17)2026-CFD-POD2/I/8965/2026 dated 08 April 2026 and other Applicable Laws including the Companies Act, 2013. The said SEBI Circular specifies mechanism for lock-in of pledged shares under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (ICDR Regulations).

Pursuant to the provisions of section 14 of the Companies Act, 2013, alteration of articles requires approval of the members of the Company by way of a Special Resolution at a general meeting.

The Board of Directors' in their meeting held on June 15, 2026 has approved the amendment in the Article of Association of the Company as set out in Item no.16 of the notice, subject to the approval of members of the Company.

A copy of the proposed amended Articles of Association (AOA) is available for inspection in physical by the members at the registered office of the Company during normal business hours on all working days from the date of dispatch of the notice, up to the conclusion of the meeting.

The Board recommends the Special Resolution set out at Item No 16 of the Notice for approval by the Members.

None of the Directors, Key Managerial Personnel and their relatives, is in any way, concerned or interested, financially or otherwise in the Resolutions set out at Item No. 16 of the accompanying Notice.

**Annexure I**

Details of the Director seeking re-appointment at the Annual General Meeting pursuant to (i)Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standards on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India are as under:

| Name of Director | Lakshmi Kantam M. | G. Ramakrishnan | Srinivasan S. |
|---|---|---|---|
| **DIN** | 07831607 | 00264760 | 09439443 |
| **Age** | 71 | 72 | 72 |
| **Date of 1st Appointment on Board** | March 1, 2022 | March 1, 2022 | March 1, 2022 |
| **Qualification** | B.Sc, M.Sc, PHD | M.Com, CA,CS & ICWA | B.SC, CA, CS |
| **Experience in functional areas** | Over 10 years of experience in Teaching | Over 39 years of experience in accounting and finance | Over 16 years of experience in finance industry |
| **Terms and Conditions of Appointment or re-appointed along with remuneration sought to be paid** | Re-Appointment for the second term as an Independent Director for a term of five consecutive years, not liable to retire by rotation. She will be entitled for Siting fees for attending Board/ Committee Meetings, Commission based on Profits of the Company. | Re-Appointment for the second term as an Independent Director for a term of five consecutive years, not liable to retire by rotation. He will be entitled for Siting fees for attending Board/ Committee Meetings, Commission based on Profits of the Company. | Re-Appointment for the second term as an Independent Director for a term of five consecutive years, not liable to retire by rotation. He will be entitled for Siting fees for attending Board/ Committee Meetings, Commission based on Profits of the Company. |
| **The last drawn remuneration (Sitting Fees for financial year 2025-26)- (in ₹)** | 0.25 million | 0.43 million | 0.38 million |
| ***Shareholding of the Directors** | Nil | *Nil | Nil |
| **Relationship with Other Directors, Manager and other Key Managerial Personnel of the Company** | Nil | Nil | Nil |
| **The Number of Meetings of the Board attended during the financial year 2025 - 26** | 5 | 5 | 6 |
| **Other Directorships as on date (excluding foreign companies)** | 1. Vinati Organics Limited<br>2. NACL Industries Limited<br>3. Godavari Bio-refineries Limited | 1. Galaxy Surfactants Limited.<br>2. Galaxy Emulsifiers Private Limited. | Nil |
| **Memberships/ Chairmanship of Committees of public limited companies (excluding foreign companies)** | Refer note 1 | Refer note 2 | Nil |

*1,00,000 Equity Shares (0.17% of paid-up equity share capital) are held jointly with spouse in the following manner:

Jayashree Ramakrishnan jointly with Ramakrishnan Gopalkrishnan

**Note- 1**

| SR. No | Name of the Company | Name of Committee | Member/ Chairman |
|---|---|---|---|
| 1 | Godavari Bio-refineries Limited | Audit Committee | Member |
| | | Stakeholder Relationship Committee | Member |
| | | Nomination & Remuneration Committee | Member |
| 2 | Vinati Organics Limited | Stakeholders Relationship Committee | Chairperson |
| | | CSR Committee | Chairperson |
| | | Nomination & Remuneration Committee | Chairperson |
| | | Audit Committee | Member |
| 3 | NACL Industries Limited | Risk Management Committee | Member |

**Note - 2**

| SR. No | Name of the Company | Name of Committee | Member/ Chairman |
|---|---|---|---|
| 1 | Galaxy Surfactants Limited | Audit Committee | Member |
| | | Stakeholders Relationship Committee | Chairman |

**Annexure II**

Details of the Director seeking re-appointment at the Annual General Meeting pursuant to (i)Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standards on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India are as under:

| Name of the Director | Nishith Shah | Gaurang Parikh | Dhaval Parikh | Pankil Dharia |
|---|---|---|---|---|
| **DIN** | 00381267 | 00190701 | 01636199 | 03309485 |
| **Age** | 67 | 53 | 45 | 42 |
| **Date of first Appointment on the Board** | Since incorporation | August 9, 2001 | May 31, 2007 | November 15, 2010 |
| **Qualification** | Bachelor's degree in science from California State University, Northridge,<br>Master's Degree in Engineering from the California Polytechnic State University, USA. | Bachelor's Degree in Engineering in Chemical Branch from University of Pune, India and a Master's of Science in Chemical Engineering from the University of Toledo, USA | Bachelor's Degree in Technology (Polymer Technology) from Institute of Chemical Technology, from University of Mumbai, and a Master's of Science in Engineering (Plastics Engineering) from University of Massachusetts, Lowell, USA. | Bachelor's Degree in Electrical Engineering and Bachelors' degree in Science in Liberal Arts and Sciences from University of Illinois at Urbana Champagne (UIUC). |
| **Experience (including expertise in specific functional area/brief resume)** | Over 35 years of experience in the Chemical Industry | Over 24 years of experience in Chemical Industry | Over 18 years of experience in Chemical Industry | Over 14 years of in Chemical Industry |
| **Terms and Conditions of appointment or re-appointment along with remuneration proposed (including perquisites excluding Bonus/ performance linked incentive) sought to be drawn** | Re-appointed as Chairman & Whole-time Director of the Company w.e.f. February 1, 2027 to January 31, 2030 (both days inclusive), not liable to retire by rotation.<br>Remuneration as stated in the Explanatory Statement of Item No.11 | Re-appointed as Managing Director of the Company w.e.f. February 1, 2027 to January 31, 2030 (both days inclusive), liable to retire by rotation.<br>Remuneration as stated in the Explanatory Statement of Item No.12 | Re-appointed as Joint Managing Director of the Company w.e.f. February 1, 2027 to January 31, 2030, (both days inclusive) liable to retire by rotation.<br>Remuneration as stated in the Explanatory Statement of Item No.13 | Re-appointed as Whole-time Director – Strategy & Business Development of the Company w.e.f. February 1, 2027 to January 31, 2030 (both days inclusive), liable to retire by rotation.<br>Remuneration as stated in the Explanatory Statement of Item No.14 |
| **The last drawn remuneration** | As disclosed in the Annexure III | As disclosed in the Annexure III | As disclosed in the Annexure III | As disclosed in the Annexure III |
| **Shareholding of the Director(s) – As on March 31, 2026** | 100000 | 5200000 | 1800000 | 20000 |
| **Relationship with Other Directors, Manager and other Key Managerial Personnel of the Company** | Mr. Rahul Shroff, Chief Financial Officer & Finance Director related to him. | Nil | Nil | Nil |
| **The Number of Meetings of the Board attended during the financial year** | 6 | 4 | 5 | 6 |

| Name of the Director | Nishith Shah | Gaurang Parikh | Dhaval Parikh | Pankil Dharia |
|---|---|---|---|---|
| Other Directorships as on date(in Public Limited Companies) | Nil | Nil | Nil | Nil |
| Memberships/ Chairmanship of Committees (In other public limited companies) | Nil | Nil | Nil | Nil |

**Annexure III**

**Information pursuant to Clause (iv) of Section II of Schedule V to the Companies Act, 2013 for the Item No. 11, 12, 13 and 14 is given here under:**

| | | | Nishith Shah | Gaurang Parikh | Dhaval Parikh | Pankil Dharia |
|---|---|---|---|---|---|---|
| I. | General Information | | | | | |
| (1) | Nature of Industry | | Chemical Manufacturing Industry – One of the leading forward integrated manufacturers of acetone derivatives and phosphorous derivatives in India. i.e. speciality chemicals, Fertilizers, pharmaceuticals, lubricants etc. | | | |
| (2) | Date or expected date of commencement of commercial production | | In production since 34 years | | | |
| (3) | In case of new company, expected date of commencement of activities as per project approved by financial institution appearing in the prospectus | | Not Applicable. | | | |
| (4) | Financial performance based on given indicators | Particulars | Standalone (Consolidation not applicable) | Standalone (Consolidation not applicable) | Standalone | Consolidation |
| | | | 2025-26 (₹) | 2024-25(₹) | 2023-24 (₹) | 2023-24 (₹) |
| | | Total Revenue | 12,378.45 | 10,155.87 | 8875.62 | 8875.62 |
| | | Profit before tax | 1,118.99 | 592.90 | 392.86 | 392.74 |
| | | Profit after tax | 831.24 | 435.72 | 181.43 | 181.31 |
| | | Proposed Dividend | 69.60 | 17.40 | 17.40 | 17.40 |
| (5) | Foreign investment or collaborations, if any | | Not Applicable. | | | |
| II. | Information about the appointee | | | | | |
| (1) | Background details | | As mentioned in Annexure II | As mentioned in Annexure II | As mentioned in Annexure II | As mentioned in Annexure II |
| (2) | Past Remuneration (FY 2025-26) | | ₹ 4,58,17,362 | ₹ 3,23,70,401 | ₹ 2,44,69,659 | ₹ 1,52,45,310 |
| (3) | Recognition and awards | | Not Applicable. | | | |
| (4) | Job profile and his suitability | | He has been associated with the Company since incorporation and appointed as Chairman and Whole-time Director of the Company since 1999. He is the founder member of the Company and responsible for the overall management of the Company under the guidance of the Board of Directors of the Company. He oversees the overall strategy & vision of our Company. Since inception, actively involved in the affairs of the Company and has successfully led the growth of the business of the Company. | He has been associated with the Company since 2001. Apart from his wide spread responsibilities as a Managing Director; he oversees Business Development, all the R&D initiatives of the Company. He looks after Local Sales & marketing of certain products. He also conceptualizes new projects to be undertaken by the Company. | He has been associated with the Company since 2007. He oversees International Sales & manufacturingoperations. He also leads negotiations for new business ventures and partnerships. | He has been associated with the Company since 2010. He oversees Business Development, Information Technology and Supply Chain Management. He is actively involved in the business development. |

| | | | | | |
|---|---|---|---|---|---|
| (5) | **Remuneration proposed** | As mentioned in the Explanatory Statement of Item No. 11, 12, 13 & 14 respectively. | | | |
| (6) | **Comparative remuneration profile with respect to Industry, Size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)** | The remuneration proposed to be paid to Mr. Nishith Shah, Chairman & Whole-time Director, Mr.Gaurang Parikh, Managing Director, Mr. Dhaval Parikh, Joint Managing Director, Mr. Pankil Dharia, Whole-time Director - Strategy & Business Development and Mr. Rakesh Jadhav, Whole-time Director - EHS, Governance and Business Process by the Board of Directors in consultation with the Nomination and Remuneration Committee of the Company is in tune with the remuneration in similar sized companies in the same segment of business. The remuneration being proposed is considered to be appropriate, having regard to the factors such as experience, position held, contribution to the growth of the Company, its business and profitability. | | | |
| (7) | **Pecuniary relationship directly or indirectly with the Company or relationship with the Managerial Personnel, if any** | Other than the remuneration stated above, he has no other pecuniary relationship, either directly or indirectly, with the Company, except that he is Promoter of the Company holding along with associates/ relatives 20.85% of the paid up Equity Share Capital of the Company, as on March 31, 2026, whereas individually he is holding 0.17% of the paid up Equity Share Capital of the Company as on March 31, 2026. He is also related to Rahul Shroff. | Other than the remuneration stated above, he has no other pecuniary relationship, either directly or indirectly, with the Company, except that he is Promoter of the Company holding along with his associates and relatives 11.03% of the paid-up Equity Share Capital of the Company, as on March 31, 2026 whereas individually he is holding 8.97% of the paid up Equity Share Capital of the Company as on March 31, 2026. | Other than the remuneration stated above, he has no other pecuniary relationship, either directly or indirectly, with the Company, except that he is Promoter of the Company holding along with his associates and relatives 12.58% of the Paid-up Equity Share Capital of the Company, as on March 31, 2026 whereas individually he is holding 3.10% of the paid up Equity Share Capital of the Company as on March 31, 2026. | Other than the remuneration stated above, he has no other pecuniary relationship, either directly or indirectly, with the Company, except that he is Promoter of the Company holding along with his associates and relatives 13.61% of the Paid-up Equity Share Capital of the Company, as on March 31, 2026 whereas individually he is holding 0.03% of the paid up Equity Share Capital of the Company as on March 31, 2026. |
| III. | **Other Information** | | | | |
| (1) | **Reason of loss or inadequate profits** | The major reasons for any eventuality where profits may be inadequate can be due to volatile geo-political environment, challenging economic conditions in business segments, fluctuating raw material prices, Coal cost and demand for the products etc. The profits may be inadequate only for the purpose of calculating the remunerations payable to the directors in terms of Section 197 of the Companies Act, 2013.<br>In the financial year 2025 – 26, total number of whole-time Directors has increased from four to five, hence, profit may be inadequate for the purpose of calculating remuneration under the provisions of the Companies Act, 2013 and rules made thereunder.<br>The Company is passing a Special Resolution pursuant to the proviso to the sub-section (1) of Section 197 of the Companies Act, 2013 and as a matter of abundant precaution, due to business environment during the period for which remuneration is payable to Mr. Nishith Shah, Mr. Gaurang Parikh, Mr. Dhaval Parikh, Mr. Pankil Dharia and Mr. Rakesh Jadhav. | | | |
| (2) | **Steps taken or proposed to be taken for improvement** | The Company has embarked on a series of strategic and operational measures such as expanding the distribution network, launching new products, focusing on improving efficiency and productivity etc. which are expected to result in improvement in the present position. Also, with signs of economic recovery in India and the world, Company expects an increase in the demand for its products. The inherent strengths of the Company, especially its reputation, wide distribution network, huge customer base and team of motivated employees expected to enable the Company to position itself during adversities. | | | |
| (3) | **Expected increase in productivity and profits in measurable terms** | The Company has chalked out a meticulous plan to drive cost efficiencies and productivity improvements and is confident of improving the productivity and profitability. It is also driving cost optimization measures aggressively to improve the bottom line. Considering the present business scenario, the Company is expecting growth in revenue and profitability. | | | |
| IV. | **Disclosures** | The remuneration details of the appointees are fully described in the Explanatory Statement as stated above. The requisite details of remuneration etc., of Directors are included in the Corporate Governance Report forming part of the Annual Report | | | |

## ATTENDANCE SLIP

**(To be handed over at the entrance of the Meeting venue)**

**DP ID No.*_____**

**& Client ID No.*_____**

**(*Applicable for members holding Shares in electronic form)**

**Address:** _____

_____

**Name:** _____

_____

**(IN BLOCK CAPITAL)** _____

_____

I hereby record my presence at the 34th Annual General Meeting held on **Thursday, July 16, 2026 at** 11.30 a.m~~/ p.m.~~ (IST) at Prasol House, Plot No. A -17/2/3, T.T.C. Industrial Area, Khairne MIDC, Navi Mumbai, Thane – 400 710.

_____

**Signature of Member / Proxy holder**

**NOTE:**

1. A Member/Proxy holder attending the meeting should bring their copy of the Notice of the Annual General Meeting for reference at the meeting.
2. Only Member/Proxy holder can attend the meeting.
3. Please fill in the DP ID No., Client ID No. and name of the Member/Proxy holder, sign this Attendance Slip and hand it over at the entrance of the meeting venue.

## FORM NO. MGT-11

## PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

**PRASOL CHEMICALS LIMITED**

**CIN: U99999MH1992PLC065026**

**Member Detail:**

| | |
|---|---|
| Name: _____<br>(IN BLOCK CAPITAL) | Address: _____<br>_____<br>_____ |

Email ID: _____

**DP ID No.*_____**

**& Client ID No.*_____**

**(*Applicable for members holding Shares in electronic form)**

*I/we being the member(s) of_____ Equity shares of* **PRASOL CHEMICALS LIMITED** *hereby appoint:*

| 1. Name: | 2. Name: | 3. Name: |
|---|---|---|
| Address: | Address: | Address: |
| Email Id: | Email Id: | Email Id: |
| Signature:<br>or Failing him/her | Signature:<br>or Failing him/her | Signature: |

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 34th Annual General Meeting of the Company to be held on **Thursday, July 16, 2026** at 11.30 a.m./~~p.m.~~ (IST) at Prasol House, Plot No.A -17/2/3, T.T.C. Industrial Area, Khairne MIDC, Navi Mumbai, Thane – 400 710 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Item No. | Resolutions | Optional # | |
|---|---|---|---|
| | | For | Against |
| ***1** | To receive, consider and adopt the audited financial statements of the Company for the Financial Year ended March 31, 2026 together with the Report of the Board of Directors' and the Auditors' thereon. | | |
| ***2** | To declare Final dividend of ₹ 1.20 per equity share of the face value of ₹ 2 each for the Financial Year ended March 31, 2026 | | |
| ***3** | To appoint director in place of Mr. Dhaval Parikh (DIN 01636199), who retires by rotation and being eligible, offers himself for re-appointment | | |
| ****4** | Increasing the borrowing powers under section 180(1)© of the Companies Act, 2013 | | |
| ****5** | Creation of charge, mortgage, hypothecation on the moveable/immoveable properties of the Company | | |
| **6 | Ratify remuneration of Cost Auditor for the financial year ending March 31, 2027 | | |
| **7 | Appointment of Independent Woman Director – Prof (Ms.) Lakshmi Kantam M. (DIN 07831607) | | |
| **8 | Appointment of Independent Director – Mr. G. Ramakrishnan (DIN 00264760) | | |
| **9 | Appointment of Independent Director – Mr. Srinivasan S. (DIN 09439443) | | |
| **10 | Increase in overall limit of Remuneration payable to all the Directors and Managers | | |
| **11 | Re-appointment of Whole-time Director – Mr. Nishith Shah (DIN 00381267) | | |
| **12 | Re-appointment of Managing Director – Mr. Gaurang Parikh (DIN 00190701) | | |
| **13 | Re-appointment of Joint Managing Director – Mr. Dhaval Parikh (DIN 01636199) | | |
| **14 | Re-appointment of Whole-time Director – Mr. Pankil Dharia (DIN 03309485) | | |
| **15 | Revision in the remuneration of Mr. Rahul Shroff, Chief Financial Officer & Finance Director, holding the office or place of profit | | |
| **16 | Amendment in the Articles of Association | | |

* Ordinary Business: Item No. 1 to 3

** Special Business: Item No. 4 to 16

Signed this_____ day of _____ 2026

| Signature of Shareholder(s) | Signature of Proxy Holder(s) |
|---|---|
| _____ | _____ |

Affix Re. 1 Revenue Stamp

**Notes:**

1) **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**

2) #This is optional. Please put a tick mark (√) in the appropriate column against the resolutions indicated in the box. If a member leaves the "For" or "Against" column blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate. If a member wishes to abstain from voting on a particular resolution, he/she should write "Abstain" across the boxes against the Resolution.

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**Route Map: Prominent Landmark: *Near White House***

***Address of the Venue : Prasol House, Plot No. A – 17/2/3, T.T.C. Industrial Area, Khairne M.I.D.C., Navi Mumbai – 400710***

**Source: google map**

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If undelivered please return to :

Prasol Chemicals Limited

Prasol House
Plot No. A-17/2/3, T.T.C. Industrial Area,
Khairne M.I.D.C., Navi Mumbai-400710. Maharashtra State India.
Web: www.prasolchem.com

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