



Resilience. Research. Responsibility.
Five Decades *of* Transformations

उद्यमेन हि सिध्यन्ति
कार्याणि न मनोरथैः



20.07.1932 - 18.12.1997

S D SHROFF
(Known to all as 'Sasubhai')

*He dared. He cared. He shared.
His vision to grow the company remains*

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about us

Forward-looking Statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Corporate Information

Chairman Emeritus

Ghattu Ramanna Narayan

Board of Directors

Chairman

Mukesh Dahyabhai Patel

Managing Director

Shalil Shashikumar Shroff

Directors

Capt. Surjit Singh Chopra (Retd.)

Vijay Dilbagh Rai

Aruna Rajendra Bhinge

Tara Subramaniam

Kapil Kumar Mehan

Suresh Arora (IPS Retd.)

Shivshankar Shripal Tiwari

Avtar Singh

Key Managerial Personal

Chief Executive Officer

Vinod Kumar Gupta

Chief Financial Officer

Devender Gupta

Company Secretary and Compliance Officer

Rishu Chatley

Bankers

Bank of Baroda

HDFC Bank Limited

SVC Cooperative Bank Limited

Yes Bank Limited

Auditors

Statutory Auditors

M/s. B S R & CO. LLP

Chartered Accountants

Cost Auditors

M/s. Khushwinder Kumar & Co.

Cost Accountants

Secretarial Auditors

M/s. P.S. Dua & Associates

Company Secretaries

Registered Office

Milestone 18, Ambala Kalka Road

Village & P.O.; Bhankharpur, Derabassi,

Distt. S.A.S. Nagar Mohali,

(Punjab) 140 201

Tel: 01762-280086/280094

Fax: 01762-280070

E-mail: info@punjabchemicals.com

Website: www.punjabchemicals.com

Corporate Office

Plot No. 645-646, 5th floor, Oberoi

Chambers II, New Link Road, Andheri (West), Mumbai – 400 053

Tel: 022-26747900

Fax: 022-26736193

E-mail: enquiry@punjabchemicals.com

Manufacturing Units

Agro Chemicals Division,
Derabassi, Punjab

Specialty Chemicals and
Pharmaceuticals Division,
Lalru, Punjab

Industrial Chemicals Division,
Pune, Maharashtra

Registrar & Share transfer Agent

Alankit Assignments Ltd., RTA Divison

Alankit Heights 4E/2, Jhandewalan
Extension, New Delhi -110 055

Tel: 011-42541234/23541234,

Fax: 011-41543474

E-mail: rta@alankit.com

Website: www.alankit.com

Corporate Identity Number

L24231PB1975PLC047063



A name synonymous with
EXCELLENCE.

A path defined by
PRECISION
and delivered through
meticulous execution.

A future anchored in
FIVE DECADES
of purposeful growth,
continuous innovation and
sustained value creation.

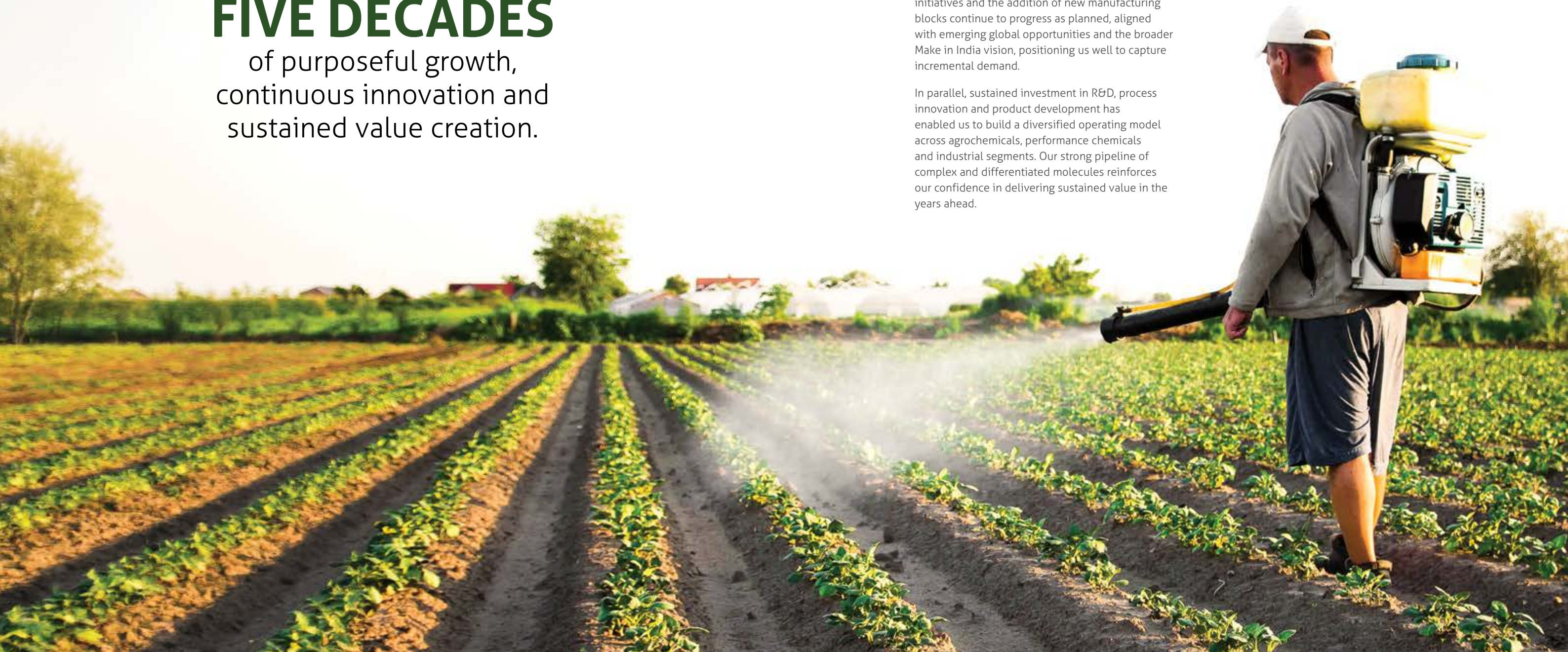
This legacy is not measured by numbers alone but by the principles that have guided our evolution across shifting industry cycles, evolving regulatory landscapes and dynamic global markets. It is this enduring foundation that continues to define who we are and shape how we grow.

Against this backdrop, resilience has remained central to our journey. From navigating demand volatility to adapting to evolving global supply chains, we have consistently strengthened our operational capabilities. This resilience is reflected in our diversified portfolio, integrated manufacturing base and our ability to remain steady through cycles of change. Capacity debottlenecking initiatives and the addition of new manufacturing blocks continue to progress as planned, aligned with emerging global opportunities and the broader Make in India vision, positioning us well to capture incremental demand.

In parallel, sustained investment in R&D, process innovation and product development has enabled us to build a diversified operating model across agrochemicals, performance chemicals and industrial segments. Our strong pipeline of complex and differentiated molecules reinforces our confidence in delivering sustained value in the years ahead.

Equally, responsibility remains integral to how we operate. Across manufacturing, environmental stewardship and community development, we remain committed to conducting business in an ethical, sustainable and socially responsible manner. This commitment extends beyond our operations to our partnerships and the wider ecosystems in which we participate.

Together, a resilient foundation, a research-driven mindset and responsible practices define our transformation over five decades. These continue to guide us as we strengthen our capabilities, expand our global presence and shape a sustainable tomorrow.



About Us

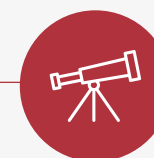
Rooted in Expertise, Rising with Purpose

Punjab Chemicals and Crop Protection Limited is a diversified chemical manufacturing Company with a portfolio spanning Agrochemicals, Specialty Chemicals, Pharmaceuticals and Industrial Chemicals. We have built deep expertise in manufacturing complex downstream chemical products, serving customers across both domestic and international markets.

With strategically located manufacturing facilities across India, we cater to a wide spectrum of industries. Our core capabilities in process engineering, product development and custom manufacturing enable us to deliver high-quality, value-added solutions tailored to evolving customer requirements. Driven by a focus on innovation, operational excellence and long-term partnerships, we remain committed to providing products that meet stringent international quality standards.

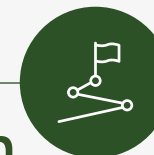


Our Vision



To become a major player in the CRAMS segment with innovation and a preferred partner in Agrochemicals and Performance Chemicals.

Our Mission



To meet and exceed customer expectation with quality and cost competitiveness

To focus on products and chemistries which ensure value addition for customers

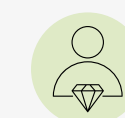
To focus on community development in and around areas where we operate

To keep research and technology as the backbone for future growth

Our Motto



We visualise Punjab Chemicals as a company that pursues its corporate goals to manufacture and market of world-class products with industrial and enterprising activity, but without losing the sight of ecological preservation and social responsibility.



Customer value



Customer experience



Environment responsibility



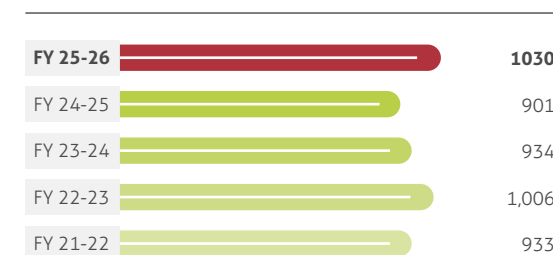
Social responsibility

Financial Performance

A Strong Foundation for Future Growth

Our financial performance reflects prudent capital allocation and a strong balance sheet. With a low debt-to-equity profile, we have built a strong financial foundation that enables us to capitalise on growth opportunities. Supported by favourable end-market dynamics, we remain focused on improving capital productivity and strengthening our ROCE profile.

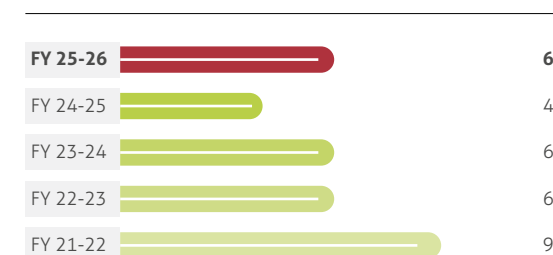
Revenue (₹ Crores)



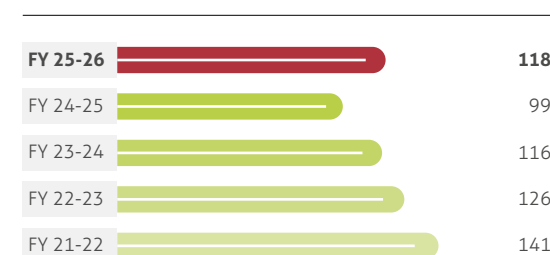
PAT (₹ Crores)



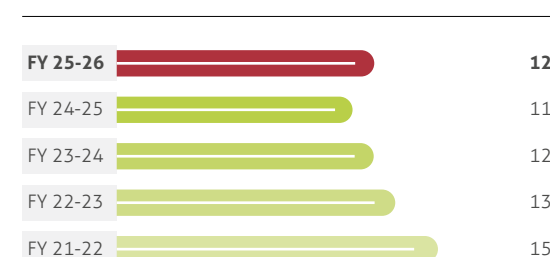
PAT Margin (%)



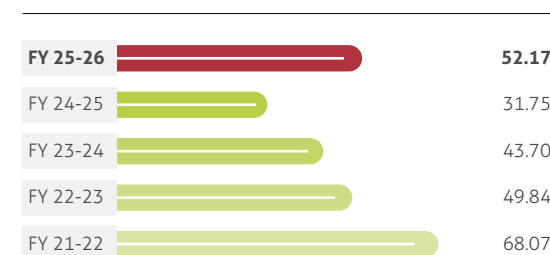
EBITDA (₹ Crores)



EBITDA Margin (%)



EPS (In ₹)



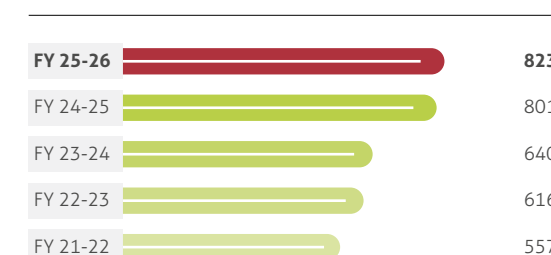
Capital Structure (Equity) (₹ Crores)



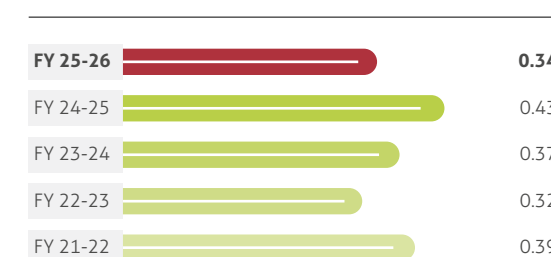
ROE (%)



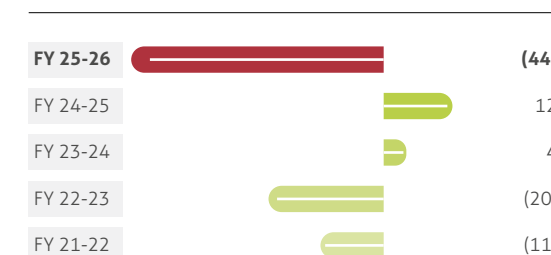
Total Assets (₹ Crores)



Debt Equity Ratio (In times)



Cash Flow (Financing) (₹ Crores)



Capital Structure (Debt) (₹ Crores)



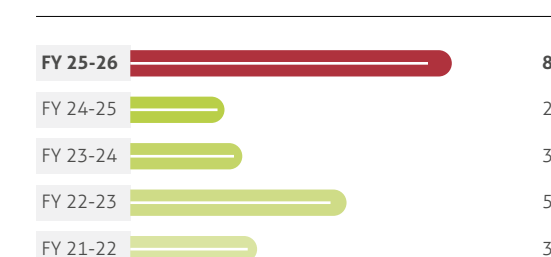
ROCE (%)



Net Working Capital (Days)



Cash Flow (Operations) (₹ Crores)

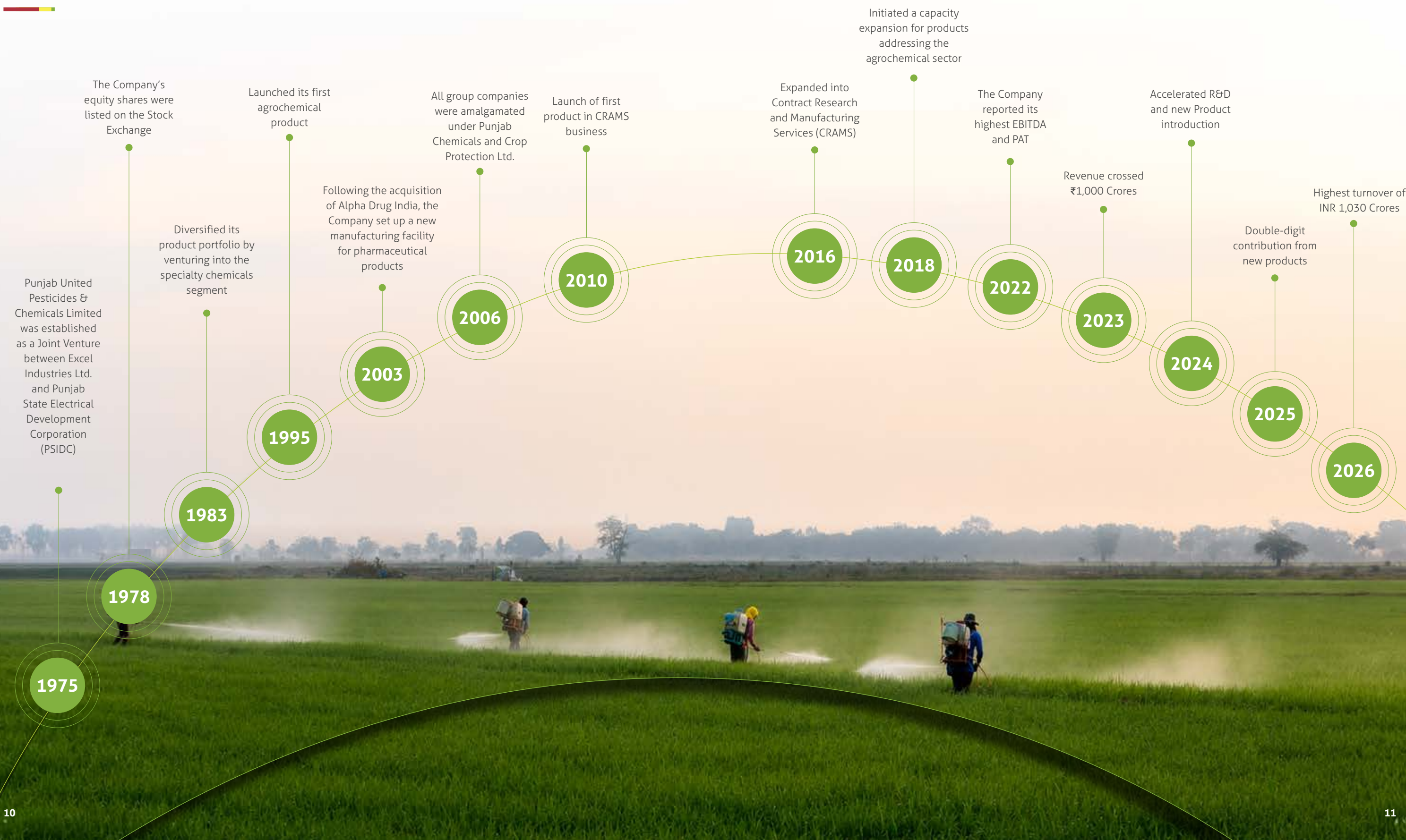


Cash Flow (Investing) (₹ Crores)



Our Journey

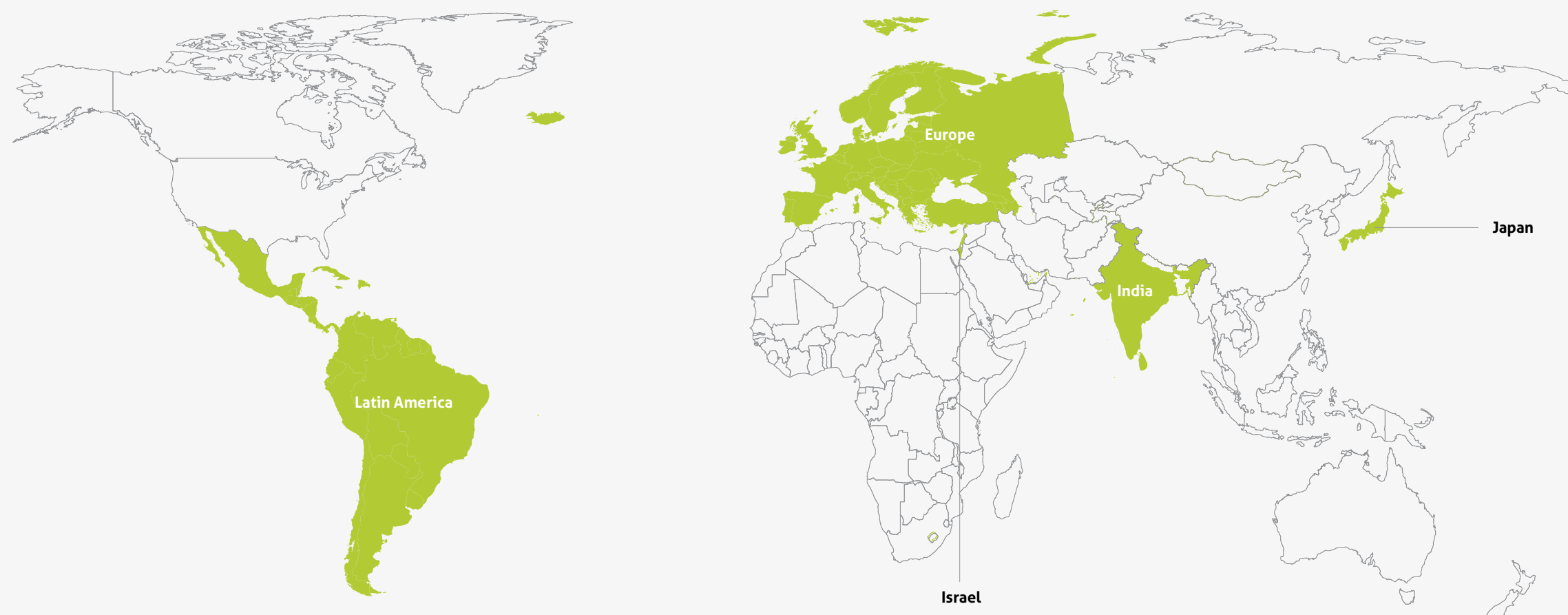
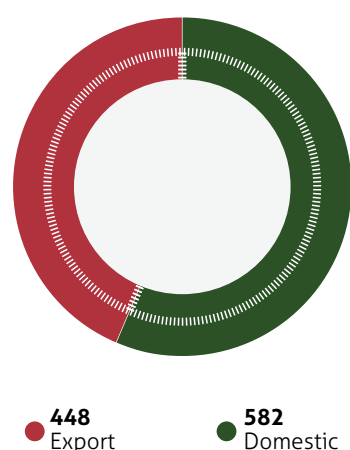
Charting a Legacy of Innovation and Excellence



Geographic Footprint From Local Roots to Global Reach

Our geographic presence spans both domestic and international markets, supported by our position as a CDMO partner to agrochemical companies. Building on our established presence in India, Europe and Japan, we are strengthening our commercial and regulatory engagement across Latin America, Russia, South Asia and the European Union. We continue to deepen our reach across key international markets, supported by a robust product pipeline and reliable supply capabilities.

Geographical Revenue split in FY26
(₹ Crores)



Our Global Clientele

 UPL	 Adama	 Bayer	 Corteva	 Krishi Rasayan Group	 Lupin	 Nissan Chemical	 BASF
 Daiichi-Sankyo	 Pepsi	 Coca Cola	 Nippon Kayakli	 Zydus Cadila	 Laurus Labs	 Kureha	 Summit Agro

Chairman's Message



The global crop protection chemicals market was estimated at \$104.83 billion in 2025, with the Asia-Pacific region emerging as the fastest-growing market. The Indian agrochemicals industry is projected to reach \$9.59 billion in 2026, supported by strengthening domestic manufacturing, expanding export opportunities and a favourable policy environment.



Dear Shareholders,

As Punjab Chemicals and Crop Protection Limited completes fifty years of its journey, this Annual Report assumes a significance that goes beyond a customary and annual communication. From our beginnings as a joint venture built around a single molecule, we have evolved into a diversified enterprise with established capabilities across Agrochemicals,

Pharmaceuticals, Specialty Chemicals, Industrial Chemicals and other Chemicals serving a discerning global customer base. This milestone is not only an occasion for celebration but also an opportunity for reflection on our progress and future direction.

The Year in Context

FY2026 was a year that tested resilience across the global agrochemical industry. Persistent supply-demand imbalances, pricing

pressures driven by elevated Chinese export volumes and volatility in raw material costs continued to shape the operating environment. In India, unseasonal weather patterns, including late-season floods, affected crop output and dampened demand in certain segments.

Against this backdrop, our diversified business portfolio enabled us to sustain operational stability and deliver growth across key parameters.

Our presence across agrochemicals, performance chemicals and industrial chemicals provided the necessary balance to navigate cyclical pressures while maintaining business momentum.

Industry Alignment and Market Dynamics

The global crop protection chemicals market was estimated at \$104.83 billion in 2025, with the Asia-Pacific region emerging as the fastest-growing market. The Indian agrochemicals industry is projected to reach \$9.59 billion in 2026, supported by strengthening domestic manufacturing, expanding export opportunities and a favourable policy environment.

Our performance during the year was broadly aligned with these structural trends. Export demand from Europe, Japan and the United States was robust. Additionally, ongoing global supply chain realignment, as customers diversify sourcing beyond single geographies, has created sustained opportunities in our favour. While pricing in certain legacy molecules remained under pressure, volumes were stable and capacity utilisation levels remained healthy at approximately 78% in Agrochemicals, 60% in Performance Chemicals and 85% in Industrial Chemicals.

Financial Performance

During FY2026, consolidated revenue from operations stood at ₹1030 Crore, reflecting a growth of 14% over the previous year. EBITDA was ₹118 Crore, with a margin of 11.5%, while profit after tax stood at ₹64 Crore, translating into a PAT margin of 6.20%.

Gross margins improved during the year, attributable to a continued shift in product mix towards higher-value offerings and sustained gains from operational efficiency initiatives. Finance costs remained under control and our balance reflects prudent capital management, with a debt-to-equity ratio of 0.34. Return on capital employed stood at 17.96%, reinforcing our commitment to value-accretive growth.

Sharing the Benefits of Growth

In recognition of the Company's performance during the year and as a

reflection of our confidence in its future prospects, the Board has recommended a final dividend of 30%, equivalent to ₹3 per equity share, for FY2026, subject to the approval of shareholders.

As we mark the milestone of fifty years of Punjab Chemicals and Crop Protection Limited, I would like to express my sincere gratitude to our shareholders for their continued trust and unwavering support. Your confidence has been a constant source of strength throughout our journey, and we remain committed to delivering sustainable growth and long-term value in the years ahead.

A Year of Meaningful Achievements

Beyond financial performance, the year was marked by tangible progress across strategic priorities. We have healthy pipeline of around 25 products under working at various stages of R&D, sample approvals, piloting, reflecting our strong capability to translate innovation into sustainable business outcomes.

We also entered into three exclusive MoUs with global customers for high-value agrochemicals and intermediates, with commercialisation expected over the next twelve to eighteen months. Our R&D facilities at Derabassi and Lalru were further strengthened, alongside the addition of advanced chemistry capabilities, including hydrogenation, mercaptan chemistry, pressure reactions, Grignard reaction and Flow reactions.

New products contributed approximately 15–16% to revenues during the year and we aim to progressively increase this share to 18–20% over the next two years.

Building for the Future

In line with our growth ambitions, we have earmarked approximately ₹100 Crores towards the development of two new multi-purpose manufacturing blocks, along with further investments in debottlenecking existing capacities. We are also evaluating additional manufacturing locations to support our medium- to long-term growth expansion.

R&D investments are expected to increase significantly, with planned expenditure set to double over the next two years. Our development pipeline

currently comprises over 25 products at various stages of development.

People, Planet and Purpose

Sustainability at PCCPL is non-negotiable. Both our Derabassi and Lalru facilities operate as zero liquid discharge units, reflecting our commitment to responsible manufacturing. Continued investments in process safety, asset renewal and energy efficiency have resulted in improvements of 10–15% in consumption intensities across flagship products.

On behalf of the Board, I wish to express my sincere appreciation for our workforce of more than 1,250 employees. Their experience, technical expertise and commitment, many having been with our Company for decades, remain our most enduring competitive advantage.

Looking Ahead with Confidence

Fifty years of operations represent not just longevity but also the accumulation of knowledge, customer trust and institutional discipline. As we enter our next chapter, we do so with a strengthened product pipeline, enhanced manufacturing capabilities and deepened customer relationships.

While the external environment will continue to present challenges, including pricing pressures, regulatory complexities and evolving global trade dynamics, we remain confident in our strategy and organisational fundamentals.

We are committed to delivering long-term, sustainable value for all our stakeholders—our shareholders, customers, employees, bankers and the communities we serve.

Thank you for your continued trust and support.

Regards,
Mukesh D. Patel
Chairman

Our Business Units

Resilient Core. Future-ready Portfolio

We operate a diversified chemical portfolio across Agrochemicals, Specialty Chemicals, Pharmaceuticals and Industrial Chemicals, serving both domestic and international markets through a diversified product portfolio. Our offerings include crop protection products, pharmaceutical intermediates, APIs, performance chemicals and phosphates. Backed by strategically located manufacturing facilities, strong R&D capabilities and streamlined processes, we are well positioned as a reliable and integrated provider of chemical solutions.

Location-wise Revenue Contribution (%)

Agro Chemicals (%)		Specialty Chemicals and Pharmaceuticals (%)		Industrial Chemicals (%)	
FY 25-26	69	FY 25-26	19	FY 25-26	12
FY 24-25	67	FY 24-25	19	FY 24-25	14
FY 23-24	71	FY 23-24	16	FY 23-24	13
FY 22-23	73	FY 22-23	15	FY 22-23	12
FY 21-22	71	FY 21-22	17	FY 21-22	12

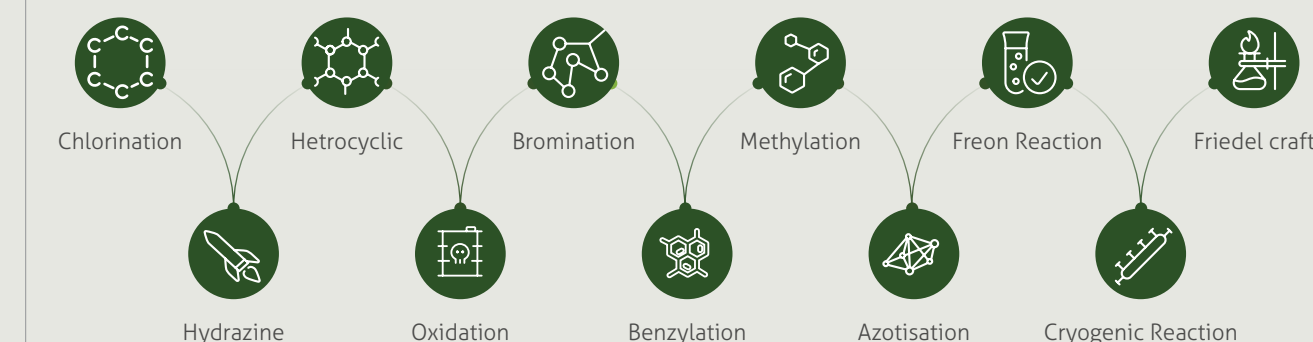


Agro Chemicals

Our Agrochemicals business is driven by a diversified portfolio of herbicides, insecticides and fungicides, catering to evolving agricultural requirements across markets. Anchored by our manufacturing facility at our Derabassi, we produce both technical-grade products and formulations, backed by strong R&D and process development capabilities. Contract manufacturing facilities complements our capabilities, enabling us to expand client partnerships and deepen our industry presence.



Major Chemistries



Product Category

We have a diversified product mix across herbicides, fungicides and insecticides. In addition, we have a significant presence in the intermediates segment, which is supported by long-term contracts and in-house R&D capabilities.



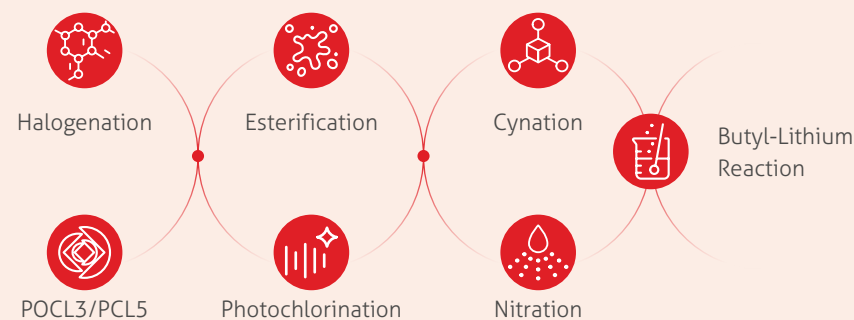
Specialty Chemicals and Pharmaceuticals

We operate a dedicated Specialty Chemicals and API business at Lalru, manufacturing intermediates, fine chemicals and APIs for domestic and international customers. The facility supports multiple chemical reactions, including methoxylation, chlorination, hydrochlorination, cyanation and esterification.

Built on the legacy of Alpha Drug India Ltd., we engage in manufacturing import-substitute intermediates. Supported by R&D capabilities and manufacturing infrastructure, the facility also manufactures gallic acid derivatives and undertakes contract manufacturing for APIs and fine chemicals.



Major Chemistries



Product Category

Multi-Step speciality chemical/
intermediate for API



Industrial Chemicals

Operating since 1961, our Pune facility is India's only manufacturer of food-grade phosphoric acid through the thermal process and is certified under FSSC 22000. We cater to beverage and pharmaceutical companies across domestic and international markets with a portfolio that includes phosphates, phosphorus pentoxide and customised oxalates. Backed by in-house R&D capabilities, we also support custom synthesis requirements from kilo to tonne scale, including projects undertaken under strict confidentiality agreements.



Major Chemistries

Phosphorus-based products and
chemistry

Product Category

Special high-purity phosphorus
compound/ phosphates

Manufacturing

The Backbone of Our Operational Strength

Our manufacturing strength is bolstered by strategically located facilities at Derabassi and Lalru in Punjab, and Pune in Maharashtra, enabling us to serve diverse product categories across business segments. Designed to support complex chemistries and evolving customer requirements, our facilities combine dedicated production blocks with robust process capabilities and an unwavering focus on operational safety and sustainability. Our manufacturing infrastructure delivers the flexibility, scalability and reliability required to support a broad spectrum of chemical manufacturing applications across domestic and international markets.

3

manufacturing facilities across Punjab and Maharashtra

Capabilities

Pune facility

with food-grade certification

Reactor capacity of more than

2,000 KL

Capability to handle over

40 chemistries

and extreme operating conditions

Dedicated production

blocks based on product categories

Derabassi and Lalru

facilities operate as Zero Liquid Discharge (ZLD) units

Water recycling post

treatment across ZLD facilities

Usage of

renewable biomass

and rice husk-based fuel for energy needs

Workforce with over

30 years of experience

in Agro and Specialty plant operations

Regular

training and skill

upgradation programmes

Strong

EHS systems,

inspections and audit processes

Adoption of

Process Safety Management

(PSM) practices

Continuous focus on

technologies

for carbon footprint reduction

2

Manufacturing facilities at Derabassi and Lalru in Punjab - equipped with Zero Liquid Discharge (ZLD) and water is recycled post treatment

Derabassi & Lalru plants are certified with

Pune unit hold certifications.



FSSC 22000

R&D

Innovation That Powers Unmatched Performance

Our R&D function is focused on enhancing process reliability, developing specialty intermediates and supporting contract research across sectors.



R&D is focused on new product development, continuous improvement of existing products, cost optimization initiatives to enhance competitiveness, and the development of innovative technologies and processes that drive efficiency, value creation, and long-term business growth.



During the year, the R&D team successfully developed and commercialized multiple cost-competitive processes for herbicides and strategic intermediates, contribution significantly to the Company's market presence.



Our R&D capabilities support contract manufacturing and custom synthesis through efficient process development, route optimization, scale-up, and commercialization expertise. By delivering cost-competitive, high-quality, and customized solution while continuously improving processes and ensuring supply reliability, we create long-term value for customers and build enduring strategic relationships.



Future R&D efforts will be directed toward strengthening these products through backward integration, process simplification, and yield enhancement, reduction in raw material consumption, energy optimization, and development of next-generation manufacturing technologies to achieve sustainable competitive advantage.



Sustainability and operational excellence are integral to our R&D strategy. The team drives initiatives focused on process optimization, resource conservation, waste minimization, energy efficiency, and development of environmentally responsible technologies. By improving process economics, reducing environmental impact, and implementing innovative manufacturing solutions, R&D plays a key role in supporting the Company's sustainability goals, cost leadership, and long-term business growth.

Facilities and Infrastructure

- Dual R&D Centres: Derabassi & Lalru, equipped with kilo labs and pilot plants
- Analytical Tools: HPLC, UPLC, GC-MS, GC (Agilent, Shimadzu, Waters)
- New Capabilities such as an autoclave facility and expansion into complex, multi-step synthesis
- In-house knowledge base supported by a dedicated scientific reference library

Focus Areas

- Process optimisation for existing molecules
- Redesigning routes for cost-effective and safer production
- Developing a speciality chemical pipeline development with 40% of enquiries coming from outside the agchem space
- Collaborating with universities to enhance capabilities

Approach

- A secrecy-driven contract research model
- Pilot plant design for scale-up studies
- Synchronised development with manufacturing and sales

Our Commitment to Quality, Environment, Health, and Safety (QEHS)

At Punjab Chemicals, Quality, Environment, Health, and Safety (QEHS) are the cornerstones of our operational excellence. We are steadfast in our commitment to delivering superior products while prioritizing environmental sustainability and the holistic well-being of our employees and stakeholders. Through robust EHS systems, rigorous inspections, and continuous training programs, we foster a culture of safe, responsible, and sustainable business practices.



Quality Management

We are a systems-driven company with meticulously crafted Quality Management Systems (QMS). These systems integrate our diverse product lines and manufacturing processes, encompassing comprehensive

operational analytics and effluent water treatment protocols.

Our manufacturing sites and research facilities feature state-of-the-art, fully compliant Quality Control (QC) laboratories.

Staffed by a highly qualified and continuously trained team of professionals, these modernized labs ensure absolute accuracy and precision in all testing, reinforcing our pursuit of uncompromising quality standards.



Occupational Health & Employee Well-being

To cultivate a secure, nurturing work environment, we have established comprehensive healthcare infrastructure at our plants, which includes:

- 24/7 Occupational Health Centres: Fully equipped facilities featuring beds, essential medicines, first-aid supplies, and an on-site ambulance, all supervised by certified medical practitioners.

- Readily Accessible Medical Care: A strategic tie-up with an ESI hospital located within 2 kilometres of our manufacturing units, supplemented by three visiting doctors (two available daily).
- Preventative Health Assessments: Diligent, regular medical checks and occupational health screenings aimed at the early

identification and mitigation of potential health risks.

- Holistic Wellness Programs: Regular health education camps addressing cardiovascular health, blood pressure, and hypertension, alongside organized sessions for yoga and nutritional awareness.



Robust Safety & Risk Management

We prioritize the protection of our personnel and assets through comprehensive infrastructure equipped with cutting-edge fire detection and prevention systems. Our participative management approach ensures that safety is not just a policy, but an institutionalized part of our organizational culture.

Our dedicated safety initiatives include:

- Process Safety Management (PSM): Comprehensive protocols including Hazards and Operability (HAZOP) studies, Hazard Identification

and Risk Assessment (HIRA), and mechanical/reaction integrity testing (utilizing DSC or ARC).

- Rigorous Training & Drills: A structured safety training calendar mandating eight hours of training per employee each month, complemented by bi-annual mock evacuation drills, regular simulations, and periodic audits.
- Incident Management & Accountability: A meticulously documented system for reporting near-misses, incidents, and accidents,

supported by Corrective and Preventive Actions (CAPA). We also enforce standard operating protocols to address safety violations, which are actively monitored across general, process, and safety committee meetings.

- Proactive Safety Culture: We foster continuous engagement through annual Safety Week campaigns, interactive quizzes, daily safety-thought emails, and strategically placed safety slogans throughout our units.

These initiatives play a crucial role in elevating safety consciousness across our workforce. We remain steadfast in our pursuit of safety excellence, ensuring a highly secure working environment for all associates and visitors.

Environment

Responsible Growth through Sustainable Practices

Punjab Chemicals continues to advance sustainability across its operations through responsible resource management, adoption of cleaner energy solutions and environmentally conscious manufacturing practices. Our approach integrates environmental responsibility with operational excellence, enabling us to enhance efficiency while reducing the environmental impact of our business activities.



During FY26, the Company implemented a range of sustainability initiatives across its manufacturing facilities focused on resource efficiency, waste minimization and energy conservation. Key initiatives included process automation to improve operational efficiency, recovery of valuable products from effluent streams, installation of advanced filtration systems, replacement of conventional steam ejectors with energy-efficient vacuum pumps, implementation of heat recovery and flash steam recovery systems, installation of RO systems for cooling towers, recycling and reuse of hot water, deployment of energy-efficient motors, AC drives and LED lighting, and enhanced monitoring of steam, power and effluent generation. The Company also conducted an energy audit and initiated implementation of the recommended energy-saving measures.

01

The sustainability initiatives undertaken during FY26 delivered measurable improvements in operational and environmental performance. Hazardous waste generation and effluent volumes were reduced through improved product recovery and process optimization. Water conservation was enhanced through hot water recycling and cooling tower optimization, reducing fresh water consumption and water treatment requirements. Energy efficiency improved through heat recovery systems, efficient vacuum pumps, AC drives, IE4 motors and LED lighting, while the Company's power factor improved from 0.992 to 0.998. Emission management was strengthened through installation of dust collectors, boiler efficiency improvements and waste heat recovery systems, contributing to lower fuel consumption and reduced environmental impact.

02

During FY26, the Company invested ₹4.58 crore in energy conservation and sustainability-focused projects. Key investments included rotary vane oil ring vacuum pumps, energy-efficient IE4 motors, AC drives, FRP cooling tower fans, LED lighting, heat recovery systems, flash steam recovery units, boiler economisers, dust collection systems, advanced steam and power monitoring infrastructure, nitrogen generation systems, solvent recovery enhancements and upgraded heat exchangers. These investments improved resource efficiency, reduced energy consumption, strengthened emission control and supported the Company's efforts to lower its overall environmental footprint.

03

Sustainable Manufacturing Practices

Our Derabassi and Lalru facilities operate as Zero Liquid Discharge (ZLD) units, enabling the recycling and reuse of treated wastewater. Both facilities also utilise renewable biomass to meet a part of their energy requirements, supporting reduced dependence on conventional fuel sources.

Strengthening Environmental Infrastructure

In collaboration with neighbouring industries, we are supporting the development of a Common Effluent Treatment Plant to strengthen environmental infrastructure and promote responsible wastewater management across the industrial ecosystem.

Focus on Emission Reduction and Process Improvement

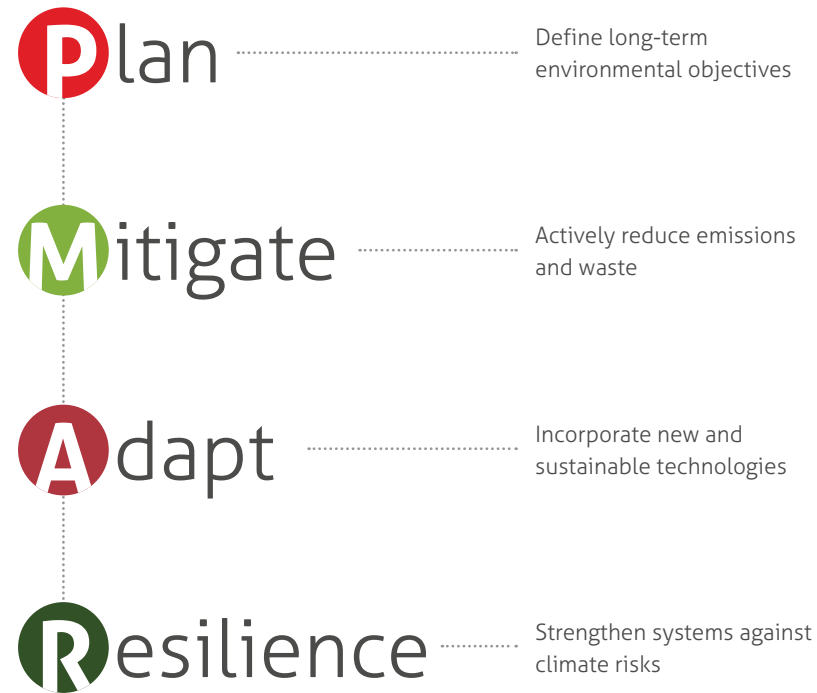
We continue to invest in technologies and process improvements aimed at reducing carbon footprint and resource intensity across operations. Our efforts include investments in emission control systems, clean energy solutions and process enhancements to improve overall operational efficiency.

Alignment with Global Sustainability Principles

Our sustainability approach is aligned with the ten principles of the United Nations Global Compact, reflecting our commitment to environmental responsibility, human rights, labour practices and anti-corruption principles across operations.

Guided by a Strong Framework

Our environmental philosophy is structured around four key pillars.



Corporate Social Responsibility

Empowering Communities, Enriching Lives

Through our CSR initiatives, we remain committed to improving education, healthcare and the overall quality of life in neighbouring rural communities. Our efforts place particular emphasis on promoting health awareness among rural women while creating meaningful and long-term community impact. Education continues to remain at the core of our social development initiatives.



We at Punjab Chemicals remain committed to long-term, responsible growth of People and the Planet, fostering a world in which societal progress is harmonised with Education, Health, Nutrition, Community upliftment, art and culture, and environmental stewardship. Our Corporate Social Responsibility (CSR) approach goes on delivering sustainable and long-term impact.

During the year, CSR efforts were continued towards improving access to Quality Education, Preventive Healthcare, Supporting rural and Community Development, Environmental sustainability, Art and culture. Several key initiatives were further scaled to deepen outreach and enhance outcomes across underserved communities. The CSR initiatives aim to deliver meaningful impact, contributing to broader national development priorities while advancing community wellbeing.

Based on the Corporate Social Responsibility (CSR) Annual Action Plan for FY 2025-26 the CSR budget of ₹1.41 crores was categorized and spent under the following focus areas:

01 Education & Vocational Skills (Project 'Shiksha')

Focused on promoting inclusive education, special education, and employment-enhancing vocational skills.

Key Activities: Upgrading infrastructure in government schools, improving overall school conditions, and establishing mini science centres to encourage hands-on learning among children.

02 Healthcare & Sanitation (Project 'Aarogya')

Aimed at eradicating hunger, poverty, and malnutrition while promoting preventive healthcare and sanitation.

Key Activities: Organizing preventive health camps, eye check-ups, and blood donation drives. The company also supported local hospitals by donating medical instruments and devices, alongside facilitating women's hygiene and health education programs

03 Rural Community Development (Project 'Gramin Vikas')

Targeted at bridging the rural-urban divide by developing sustainable public infrastructure in villages across Punjab and Maharashtra.

Key Activities: Installing solar streetlights, renovating and developing old community centres, painting highway underpasses, and constructing public sheds at various village locations.

04 Environmental Sustainability (Project 'Paryavaran')

Dedicated to maintaining ecological balance, conserving natural resources, and ensuring the quality of soil, air, and water.

Key Activities: Initiatives focused on agroforestry, protection of flora and fauna, animal welfare, and broader environmental conservation efforts.

05 Promoting Art and Culture

Focused on the preservation, promotion, and celebration of creative arts and local heritage.

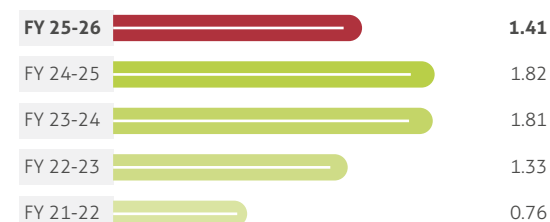
Key Activities: Contributed to support and promote art and culture initiatives.



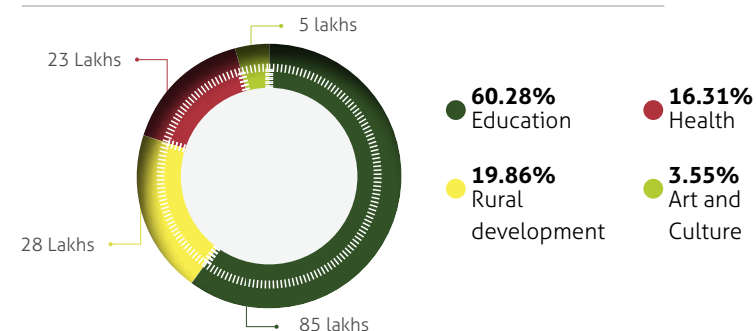
These projects are implemented both directly by the internal CSR team and in collaboration with specialized implementation partners across the states of Punjab and Maharashtra.

CSR Expenditure

(₹ Crores)



Bifurcation of CSR amount in FY 2025-26



Governance

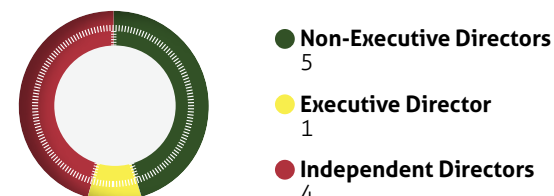
Leading Responsibly, Driving Excellence

Strong governance forms the foundation of our long-term sustainability and responsible growth. At Punjab Chemicals, we are committed to upholding the highest standards of integrity, transparency and accountability across all aspects of our operations. Our governance framework enables effective oversight, balanced decision-making and prudent risk management, ensuring that the interests of all stakeholders remain at the centre of our business.



Board Composition

Our Board brings diverse perspectives and extensive experience to guide the Company's strategic direction while maintaining robust oversight and governance standards.



Ethics and integrity

We promote a culture of ethical conduct and responsible business practices across the organisation. Through clearly defined policies, codes of conduct and governance mechanisms, we encourage transparency, fairness and accountability in all business dealings while reinforcing stakeholder trust and organisational integrity.

Board Skills and Expertise

The Board brings together a diverse range of competencies that support effective governance and strategic decision-making. This collective expertise allows the Board to provide effective oversight and strategic guidance aligned with the Company's long-term goals.

Key Areas of Expertise



Our Committees

Our specialised Board committees play an important role in overseeing critical aspects of the business. Guided by clearly defined mandates, they facilitate detailed review, informed deliberation and timely decision-making.

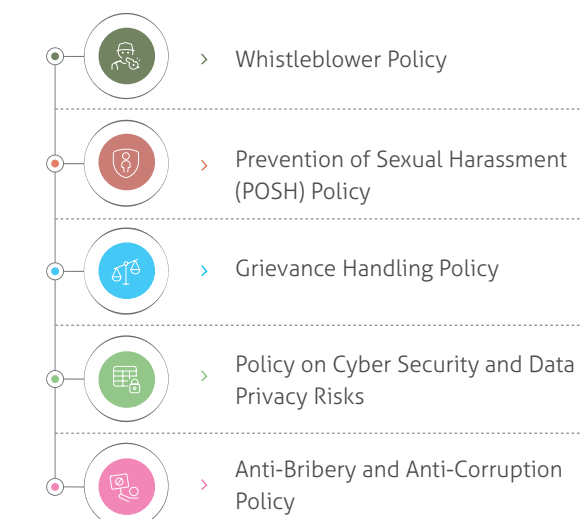
Board Committees



Our Policies

Our governance framework is supported by a comprehensive set of policies that guide ethical conduct, regulatory compliance, workplace safety, data security and stakeholder well-being. Together, these policies contribute to a transparent, inclusive and responsible organisational culture.

Key Policies



Board of Directors

The Leaders Behind the Legacy



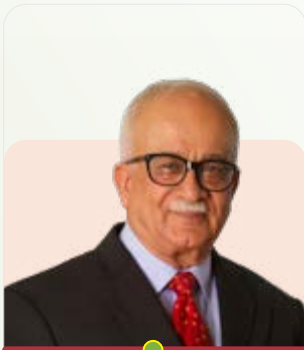
Mr. Mukesh D. Patel

Chairman & Non-Executive
Non- Independent Director



**Mr. Shalil Shashikumar
Shroff**

Managing Director



Mr. Vijay Dilbagh Rai

Non- Executive
Non-Independent Director



**Capt. Surjit Singh
Chopra (Retd.)**

Non-Executive Non-
Independent Director



Mr. Avtar Singh

Non-Executive Non-
Independent Director



**Mr. Shivshankar Shripal
Tiwari**

Non-Executive Non-
Independent Director



**Mrs. Aruna Rajendra
Bhinge**

Independent Director



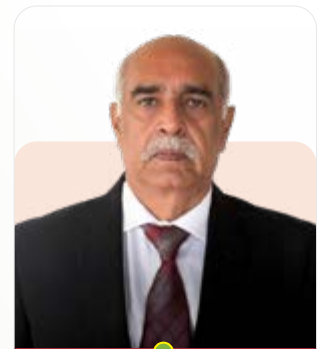
Mrs. Tara Subramaniam

Independent Director



Mr. Kapil Kumar Mehan

Independent Director



**Mr. Suresh Arora (IPS
Retd.)**

Independent Director

Management Discussion and Analysis



Economic Overview

Global Economic Overview¹

The global economy exhibited measured resilience in CY2025, expanding by 3.4% amid persistent geopolitical and trade-related headwinds. Growth was supported by a strengthening investment climate, declining inflation and a more accommodative monetary stance across major economies. According to recent IMF estimates, the US economy is estimated to record a growth of 2.1%. Economic activity in the US remained strong, primarily driven by investments in Artificial Intelligence (AI). The eurozone is expected to exhibit a growth rate of 1.4%, while China is expected to grow at approximately 5%. Although tariff-induced tensions persisted, trade patterns adapted through strategic realignments and

new bilateral agreements between major economies.

The Emerging Markets and Developing Economies (EMDEs) continued to be vital drivers of global growth, expanding by an estimated 4.4%. Conversely, Advanced Economies grew at a moderate 1.9% in CY2025. Despite labour market weakness in some advanced economies due to AI-led restructuring and mobility constraints, the EMDEs enjoyed positive financial spillover effects owing to the depreciating US dollar.

Global Economic Outlook

Risks to growth remain tilted to the downside, stemming primarily from potential escalations in trade tensions and a deterioration in financial sentiment. Global growth is expected to moderate at 3.4% in CY2026

then slightly improving to 3.2% in CY2027. Over the longer term, this reflects the impact of easing inventory cycles, trade-related pressures and softer consumption trends across major economies.

Nevertheless, productivity gains from AI-enabled technologies, combined with sustained investments are expected to enhance output potential. The demographic dividend in developing countries, with a growing working-age population is foreseen to drive global demand. Meanwhile, advanced economies are likely to pursue an accommodative fiscal stance, prioritising climate transition, green infrastructure and food security. Together, these factors indicate that even amid fragmentation risks, the global economy retains sufficient structural resilience to maintain a stable growth trajectory.

¹<https://www.imf.org/en/publications/weo/issues/2026/04/14/world-economic-outlook-april-2026>

The global macroeconomic landscape is increasingly interacting with long-term climate trends, as continued global warming coincides with the strengthening of an El Niño event in 2026. Niño pattern is expected to persist into early 2027, introducing notable shifts in global atmospheric circulation. From an economic perspective, these combined climate factors influence primary sectors by altering seasonal

weather patterns, which in turn necessitates strategic planning within agricultural supply chains, energy distribution systems, and commodity markets. Industries worldwide are proactively adapting to these shifts by adopting climate-resilient practices, diversifying inventories, and enhancing resource management to maintain operational continuity amid changing environmental conditions.

latest CPI data of 3.40%³ on the revised 2024 base, supporting real income growth and consumption across both urban and rural markets.

The government's sustained prioritisation of green energy and infrastructure development has further strengthened the country's medium-term growth trajectory. The agricultural sector also received renewed policy impetus, with budgetary allocation rising to ₹1.32 lakh Crores under the Union Budget FY2026-27, up from ₹1.25 lakh Crores the previous year. Favourable agronomic conditions and record kharif output strengthened rural incomes, supported consumption demand and contributed to broader macro-economic stability.

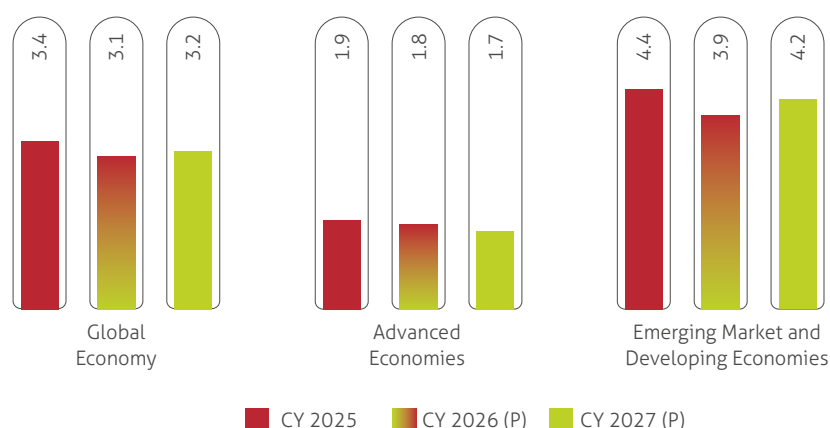
Indian Economic Outlook

The outlook for the Indian economy remains favourable, supported by a healthy Rabi sowing, sustained manufacturing profitability and a resilient services sector. Policy-led tax relief is expected to aid urban consumption, thereby bolstering the overall domestic demand. With inflationary pressures subdued and commodity inputs stable, the economy is anticipated to sustain its growth trajectory, with real GDP growth for FY 2026-27 expected in the range of 6.8% to 7.2%⁴. despite lingering global uncertainties. The revival of the capex cycle, with steady corporate balance sheets and improved banking sector health augurs well for investment-led growth.

Trade policy momentum, including multiple new Free Trade Agreements (FTA) should broaden export opportunities and enhance agricultural market access. At the same time, India's increasing participation in global supply chains and the improving global trade environment are expected to augment net external demand. Collectively, stable macro-fundamentals, renewed capital formation and expanding external linkages are envisioned to support sustained growth of the economy in the year ahead.

Global GDP Growth Trend

(in %)



P – Projections

Source – IMF

Indian Economic Overview²

India's economy exhibited notable momentum in FY2026, navigating an external environment marked by trade fragmentation and geopolitical uncertainties. GDP growth is estimated at 7.7%, up from 7.1% in FY 2025, attributable to robust domestic demand and stable private consumption. With this performance, India retained its position as one of the fastest growing economies worldwide. Policy-led improvements further reinforced investor sentiment and productive capacity.

The evolving geopolitical situation in West Asia has introduced both complex macroeconomic challenges and unique structural opportunities. For the Indian economy, these external pressures have acted as a catalyst for

policy-led improvements, particularly in accelerating strategic measures to secure energy supply chains and enhance domestic self-reliance. Government initiatives have increasingly focused on the diversification of energy sourcing, the optimization of alternative trade corridors. The domestic economy continues to exhibit significant resilience. This underlying macroeconomic strength, combined with robust domestic consumption and structural stability, enables the nation to maintain its growth momentum while successfully navigating global supply chain realignments.

Monetary policy remained prudently calibrated. The Reserve Bank of India balanced growth imperatives with steady inflation control. Headline inflation remained controlled, as reflected in the

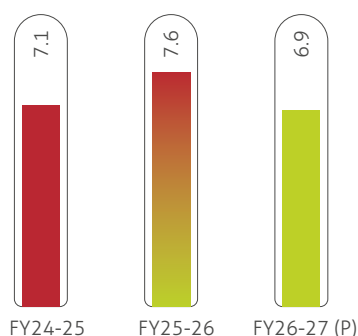
²https://www.mospi.gov.in/uploads/latestReleases/latest_release_1780655857536_5ac01869-ca4a-422d-b7a7-57b81da60932_Press_Note_on_GDP_Estimates_for_Q4_2025-26_and_PE_FY_2025-26_F.pdf

³<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2251519®=3&lang=2>

⁴<https://www.pib.gov.in/PressNoteDetails.aspx?ModuleId=3&NotelId=157124®=3&lang=2>

Indian GDP Growth Trend

(in %)



P – Projected

Source: MOSPI

Industry Overview

Global Agricultural Sector

The year under review witnessed unprecedented agricultural production and divergent trends in commodity prices. While surplus production in farm products of major grains exerted pressure on prices, livestock and vegetable oil products experienced price hikes due to strong demand and relatively inadequate supplies. Continued evolution of trade patterns, with developing countries further consolidating their position as crucial drivers of both supply and demand was another highlight of the year.

China

The structural dynamics of China's agricultural sector reflect a notable shift toward demand stabilization and domestic supply optimization. While China historically served as the primary accelerator of global commodity consumption, structural shifts including stabilizing dietary patterns and a transitioning population baseline have moderated its share of incremental global demand growth.

On the supply side, the domestic focus centres heavily on yield enhancement, farm automation, and advanced seed genetics to maximize internal output. Despite these substantial domestic production gains, particularly in staples and livestock feeds.

Europe

Consumption patterns across the region are increasingly influenced by evolving consumer dietary preferences and a long-term focus on nutritional quality, resulting in flat volume growth for traditional agricultural commodities. To adapt to these consumer shifts and stringent regional production frameworks, European producers are aggressively adopting precision farming technologies, automated machinery, and climate-resilient solutions to sustain output. Through these significant gains in operational efficiency and output per

acre, Europe continues to reinforce its position as a major net exporter of high-value agrifood products, capitalizing on global trade opportunities while managing structural resource limits.

Latin America

Demand within the region remains steady, supported by consistent urban consumption, while the continent's primary economic impact lies in its massive export capacity. Despite navigating localized structural pressures and variable credit conditions, the region led by major agricultural economies like Brazil and Argentina has achieved substantial gains in output through the adoption of integrated tech packages, improved germplasms (genetic breeding materials), and large-scale precision farming.

Looking ahead, the global agricultural sector is projected to experience significant structural shifts over the next decade, driven primarily by evolving demographic profiles and changing dietary preferences. Global agricultural production is anticipated to expand by 14% over the next ten years. Most of this supply growth is expected to come from improving crop yields through the introduction of more advanced crop protection solutions and farming efficiency driven by advanced tools and technology for farming.⁵

Regional Trends



Brazil:

Reinforcing its position as a leading agricultural producer, Brazil recorded an unprecedented soybean output for the 2025-26 marketing season, increasing by 5% to reach 180 Million Metric Tons (MMT).⁶



India:

Favourable monsoon conditions allowed for a record rice harvest of 150 MMT in MY 2024-25.⁷ However, the government has maintained restrictions on rice exports to ensure domestic supply security.



China:

Cotton output recovered with 7.7% Year-on-Year (YoY) growth, supported by historically high yields, despite no expansion in harvested area.⁸

⁵https://www.oecd.org/content/dam/oecd/en/publications/reports/2025/07/oecd-fao-agricultural-outlook-2025-2034_3eb15914/601276cd-en.pdf

⁶<https://www.usda.gov/trade-and-markets/exporting-goods>

⁷<https://www.fas.usda.gov/data/production/0422110>

⁸https://english.www.gov.cn/archive/statistics/202512/26/content_WS694e7ba9c6d00ca5f9a08490.html

Overall, 2025 proved to be a year, where supplies of principal staples were rebuilt, effectively mitigating worries regarding global levels of caloric intake. However, rising trade restrictions continue to pose threat to global food and nutritional security.

Indian Agricultural Sector

Over the past five years, India's agricultural sector has recorded a steady average annual growth rate of 4.4%,⁹ contributing approximately 13.8% to India's Gross Value Added (GVA) growth in FY 2026. Sub-normal temperatures, combined with an above-average monsoon, created highly conducive agricultural conditions domestically, resulting in an enhanced foodgrain inventory.

Domestic foodgrain production continued its upward trajectory, with total output estimated at 3,577.3 Lakh Metric Tonnes (LMT) for the Agriculture Year (AY) 2024-25, rising 254.3 LMT compared to the previous year. This increment was propelled by higher yields of rice, wheat, maize and coarse cereals.

The horticulture segment emerged as a significant growth area, accounting for approximately 33% of GVA. As of August 2025, horticulture production increased from 280.70 million tonnes in (AY) 2013-14 to 367.72 million tonnes in (AY) 2024-25. The AY 2024-25 output comprised 114.51 million tonnes of fruits, 219.67 million tonnes of vegetables and 33.54 million tonnes

of other horticultural crops, reflecting sustained expansion across categories.

India holds the leading global position in dry onion production, accounting for nearly 25% of total global output. The country is also the second largest producer of vegetables, fruits and potatoes globally, accounting for 12-13% to worldwide production in each category. These data represent the scale and competitiveness of India's horticulture sector along with its growing role in addressing global food demand, particularly in high-value crop segments. The agricultural sector remains crucial to the attainment of the 'Viksit Bharat' vision, promoting inclusive development and improving livelihoods for millions across the country.

Government Initiatives Supporting the Agricultural Sector



Policy Support

- National Food Security and Nutrition Mission
- National Mission on Edible oils-Oilseeds
- National Mission on Edible oil-Oil Palm
- Krishi Vigyan Kendras
- Promotion of FPOs and Cooperatives
- Insurance support through PM Fasal Bima Yojana
- Krishonnati Yojana



Digital Agriculture Mission

- Input Support
- Providing access to High Yielding seeds
- Assured Irrigation through Pradhan Mandri Krishi Sinchayee Yojana
- Soil Health Cards
- Fertiliser Subsidy
- Kisan Credit Card Scheme
- Establishing Custom Hiring Centres
- Food and Mouth disease control programme for livestock
- Pradhan Mantri Matsya Kisan Samridhi Sah-Yojana for fisheries



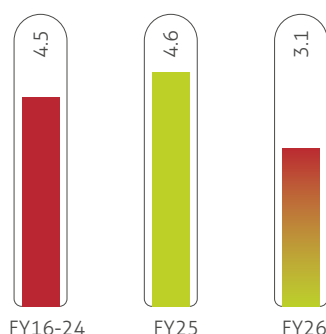
Income Support

- Pradhan Mantri Kisan Samman Nidhi (PM Kisan)
- Minimum Support Prices
- PM Maandhan Yojana

⁹<https://rbidocs.rbi.org.in/rdocs/Bulletin/PDFs/JANUARY21012026AE1994B897514877BD512ABB2CFA7A81.PDF>

Agriculture Gross Value Added

(in %)



Source: Economic Survey

A significant policy tailwind during the year was the grant of zero tariff market access for several Indian agricultural

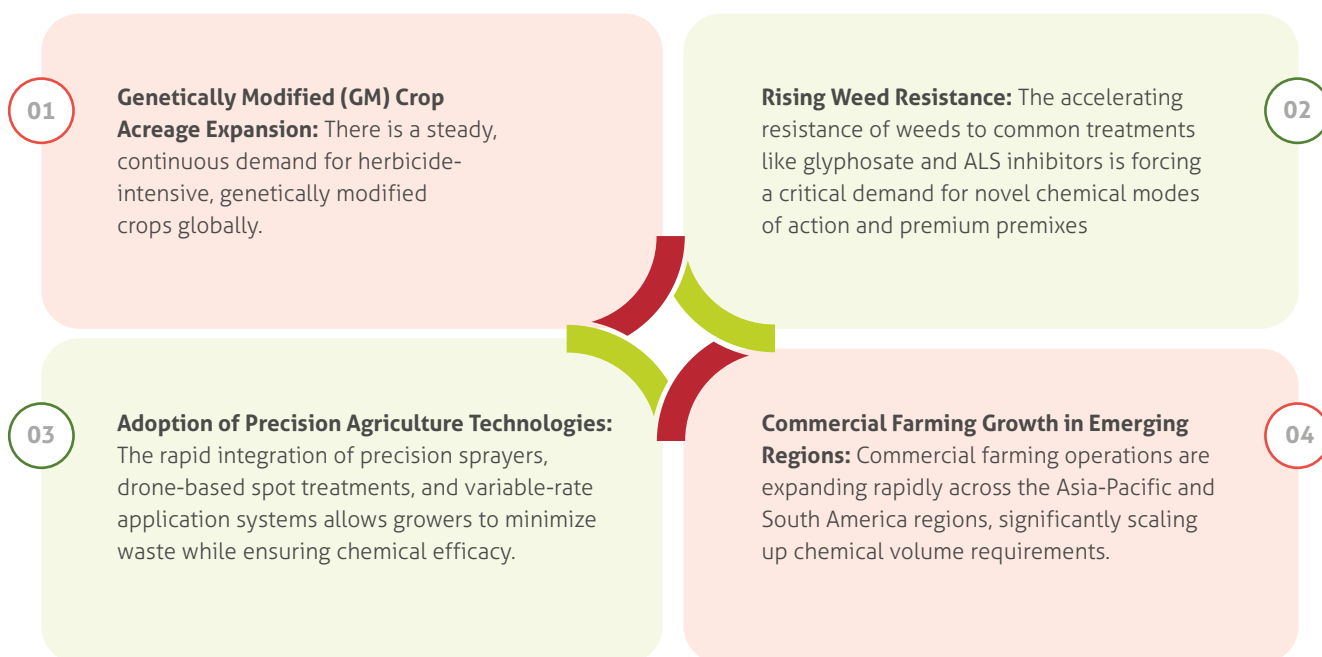
products in the US market. The tariffs on some products, which had been raised to as high as 50%, were revised to zero under a historic trade deal with the US, strengthening export competitiveness.

Global Crop Protection Industry¹⁰

The global crop protection chemicals market continues to expand steadily, with its valuation estimated at USD 109.67 billion in 2026 and projected to reach USD 137.49 billion by 2031, representing a compound annual growth rate (CAGR) of 4.62%. From an overall perspective, the Asia-Pacific region stands out as the fastest-growing geographical market worldwide, a momentum driven by commercial farming, rising chemical intensity, and

shifting agricultural practices in key agrarian economies like India.

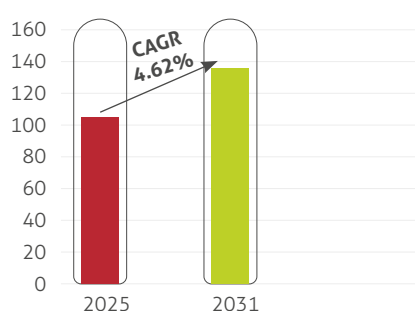
This growth is speeding up the shift toward modern farming technologies, such as drone spraying, targeted soil treatments, and advanced chemical formulas. These new methods help large-scale commercial farmers use fewer crop protection chemicals, reduce environmental impact, and manage pests driven by changing weather patterns. Even though stricter global safety and environmental rules mean companies have to constantly adapt, the ongoing modernization and steady growth of commercial farming in the Indian market continue to provide long-term stability and strength for the industry.



Herbicides lead global consumption, projecting the highest CAGR of 5.02% through 2031. Grains and cereals are the primary application crop type, accounting for 43.10% of global consumption. The Asia-Pacific region is the fastest-growing market, with a projected CAGR of 4.73% through 2031. Growth here is heavily tied to government-backed land consolidation and commercial farming initiatives, which have significantly increased per-hectare chemical intensity.

Global Crop Protection Industry Forecast

(in billion USD)



Source: Mordor Intelligence

Indian Crop Protection Industry¹¹

The domestic crop protection chemicals market, also referred to as pesticides, is expected to grow from an estimated \$2.59 billion in 2025 to \$2.71 billion in 2026. Growth is likely to be catalysed by the increasing adoption of precision and digital farming practices, government initiatives promoting indigenous manufacturing and the need to address pesticide resistance. Farmers are steadily transitioning from blanket chemical usage towards digital application,

¹⁰<https://www.mordorintelligence.com/industry-reports/global-crop-protection-chemicals-pesticides-market-industry>

¹¹<https://www.mordorintelligence.com/industry-reports/india-crop-protection-pesticides-market>

reducing wastage and aligning with evolving sustainability benchmarks.

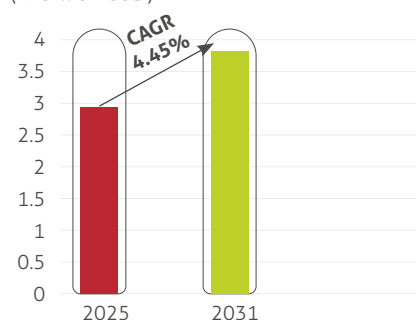
Public investments, including the \$338 million Digital Agriculture Mission, are expected to expedite the demand for products compatible with soil mapping, drone application and chemigation networks. However, the industry continues to face structural challenges, including state-level bans on molecules, spurious products entering rural markets and stricter residue policies. Looking ahead, the Indian crop protection industry is forecasted to reach \$3.36 billion by 2031, exhibiting a CAGR of 4.45% over 2026-2031.

As crop prices remain low, farmers are switching to more effective pest control solutions to protect their yields, which is boosting the industry. At the same time, several major chemical formulas are losing their patent protection, opening up new opportunities for manufacturers to produce them more affordably. To capitalize on this, more companies

are bringing raw material production in-house (backward integration) to expand their product ranges for both local and export markets. Backed by supportive government policies, increasing investments in research and development are expected to drive steady long-term growth for the sector.

Indian Crop Protection Industry Forecast

(in billion USD)



Source: Mordor Intelligence

Indian Agrochemicals Industry¹²

The Indian agrochemicals market continues to demonstrate expansion,

with an estimated market value of USD 9.59 billion in 2026 and projected to reach USD 13.25 billion by 2031, registering a compound annual growth rate (CAGR) of 6.66%. From an overall perspective, this momentum is supported by robust domestic manufacturing infrastructure, a highly competitive export pipeline, and expanding rural digital networks that streamline product access for farmers.

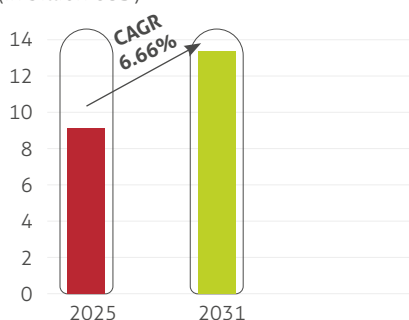
The market is experiencing a structural shift as precision agricultural practices, such as drone-based spraying and nano-nutrient technologies, gain broader field acceptance. These advanced formulation methods enhance input efficiency and improve crop yield quality across primary agricultural zones. While raw material dependencies and evolving state-level regulatory frameworks present ongoing operational variables, proactive government policy incentives for domestic production and sustainable bio-inputs are successfully fostering long-term stability and resilience across the sector.



¹²<https://www.mordorintelligence.com/industry-reports/india-agrochemicals-market>

Indian Agrochemicals Industry Forecast

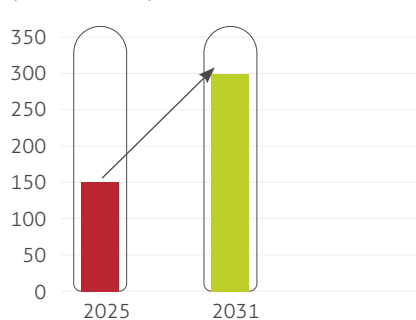
(in billion USD)



Source: Mordor Intelligence

Indian Specialty Chemicals Industry Forecast

(in billion USD)



Source: BCG Report

Indian Specialty Chemicals Industry

The specialty chemicals industry comprises thousands of fine chemicals, largely marketed as proprietary formulations. India's domestic chemicals market is currently estimated at approximately \$150 billion. Domestic consumption continues to rise, driven by improving incomes. Premiumisation and functionality trends are accelerating, reflected in the double-digit growth in the beauty and personal care market, as consumers are moving toward high-value products. In construction, advanced waterproofing, sealants and coatings are also witnessing robust demand.

The share of specialty chemicals within the overall market is expected to expand significantly, driven by consumer demand for high-performance products. Strategic platform-based acquisitions may serve as entry pathways into high-value niche segments. By 2030, the market is expected exceed \$300 billion, facilitated by capital availability, policy incentives and the growing appeal of India as a cost-effective manufacturing hub.

Company Overview

Year represents Company's move towards growth with addition of multiple products, large scale volume for long term sustainability and foundation for future capacity expansion and growth has been set. Company is accelerating product registration, developing more products for high growth domestic market, based on unique capabilities and develops multistep process with backward integration for import substitution and create dominant market position

The company has developed 2-3 agro products for the domestic market, which are slated for launch in FY27 with unique technological advantages to be market leaders. Agro-intermediates introduced 2-3 years back is seeing very good market access and capacity debottlenecking for the same was completed in FY26. Specialty Chemicals product launches will also see maturity and growth from FY27 onwards.

This coupled with new production blocks, third party manufacturing lays foundation for the future growth of the company.

Outlook

The Company remains focused on portfolio diversification, with supplementary products scheduled for commercialisation in the coming quarters, indicating strong growth momentum. Capital is being directed towards the commissioning of a new manufacturing block at the existing site and capacity debottlenecking across current lines over the coming six quarters. Strategic emphasis remains on R&D, supply chain integration and adoption of advanced technologies. The Company plans to double its R&D expenditure over the next two years to strengthen its presence in higher-value intermediates, enhance upstream integration, serve global clientele and further scale exports.

The Company has allocated approximately ₹100 Crores in capital expenditure for two multi-purpose plants to support domestic and export growth over the next 2-3 years. Concurrently, the Company is evaluating potential locations for a new site to accommodate expanding operations and a broader product portfolio. This manufacturing enlargement is intended to serve emerging markets, with continued emphasis on export-led growth. The Company's growth strategy remains anchored in margin enhancement through economies of scale, an improved product mix, operational efficiencies and intensified integration.

Operational Highlights during FY2026

The Company has commercialised more than 5 new products in FY26 across agrochemicals, intermediates and performance chemicals, with some more products under commercialisation and others in advanced stages of trial and scale-up

Operational efficiency improved through the continuous execution renewal programme, including the revamp of multiple production blocks.

Expansion of Research and Development (R&D) facilities at Derabassi and Lalru was completed to strengthen innovation and accelerate product development.

Export demand remained strong across key geographies such as Europe, Japan and the US.





Opportunities and Threats

Opportunities

Evolving Supply Chains

Global manufacturers are actively diversifying their supply chain to reduce their dependency on China, creating opportunities for expanding global partnerships and strengthening the Company's position within the global supply chain.



Innovation Pipeline

The Company maintains a robust R&D and pilot pipeline of over 25 products. This enhances its ability to respond to market dynamics and reinforces its competitive positioning.



Product Diversification

New product additions span performance chemicals, fuel additives and intermediates. The diversified portfolio strengthens resilience against shifting consumer preferences and sectoral uncertainties.



Government Support

Strategic measures undertaken by the Indian administration to augment agricultural productivity, stimulate crop diversification and reinforce indigenous chemical manufacturing continue to support the industry's growth.



Trade Tailwinds

The reduction of tariffs to zero percent on Indian agricultural products in the US provides a significant opportunity for both the agricultural and the agrochemicals sector.



Threats



Climate Volatility

Unpredictable weather patterns continue to pose threats. This can impact manufacturing operations and market demand. Unseasonal and erratic rainfall can impact domestic demand for agrochemicals due to disrupted sowing cycles.



External Pricing Pressures

Elevated global supply capacities and Chinese export continue to intensify the competition. This competitive intensity limits the Company's ability to raise prices for legacy products, making margin expansion dependent on cost efficiencies and new product launches.



Regulatory Difficulties

Commercialising new molecules is subject to prolonged registration cycles. The lag between product development and revenue realisation may impact the Company's launch timelines and revenue generation.

Financial Review on Consolidated basis

Income Statement

		(₹ in Lakh)
Particulars	FY2025-26	FY2024-25
Total Income	104,348	90,195
EBITDA	11,813	9,919
Profit / (Loss) before Tax (PBT)	8,427	5,357
Profit / (Loss) after Tax (PAT)	6,396	3,893
Earnings per share (EPS) - Basic and diluted (in ₹)	52.17	31.75

Balance Sheet

		(₹ in Lakh)
Particulars	FY2025-26	FY2024-25
Net Worth	42,347	36,471
Net Debt	13,367	14,395
Fixed Assets including right of use Assets	29,364	26,738

Working Capital

		(₹ in Lakh)
Particulars	FY2025-26	FY2024-25
Net working capital (Days)	62 days	71 days
Current Assets	50,886	52,123
Current Liabilities	33,507	34,526
Net Working Capital	17,379	17,597

Key Financial Ratios

Particulars	FY2025-26	FY2024-25	Reason for variance above 25% year on year
Current Ratio	1.52	1.51	
Debt Equity Ratio	0.34	0.43	
Debt Service Coverage Ratio	3.39	2.11	
Return on Equity/Return on Investment (%)	16.23	11.21	
Inventory Turnover	4.40	5.07	Please refer to Note No 45 of the Consolidated Financial Statements
Trade Receivables Turnover Ratio	4.69	4.16	
Trade Payables Turnover Ratio	4.42	4.95	
Net Capital Turnover Ratio	5.92	5.11	
Net Profit Margin (%)	6.21	4.32	
Return on Capital Employed (%)	17.96	14.39	
Interest Coverage Ratio	6.01	4.00	
Operating Profit Margin (%)	10.02	8.38	
Return on Net Worth	15.10	10.67	

Risk Management

Oversight of risk management and internal control rests firmly with the Board. It establishes risk appetite, monitors material risks and scrutinises evaluations presented by the internal audit function. In a rapidly changing regulatory context, the Company remains committed to the proactive mitigation of risks through effective governance structures and strategic decision-making to ensure long-term sustainability.



Human Resource

Company continues to focus on acquiring, recruiting, retaining talent and provides a positive work environment. Regular training programs, capability upgradation initiatives, new process know-how, technical trainings, and behavioral programs keep employees motivated. Employee engagement programs like Sports Week, participation in the Company's CSR initiatives, mentorship programs, and regular interaction with senior leadership has kept employee attrition at the industry lower levels. Regular review of policies in line with market trends and changing employee expectations makes employees feel part of the success story. Inputs from employees in various plant improvements and improved work conditions ensure worker productivity and safety.

1264

Total workforce as on March 31, 2026 as compared to 1230 as on March 31, 2025.

Environment, Health, and Safety

Company operates ZLD units and is making regular investments in upgradation of facilities, waste reduction, and efficiency improvement. This helps

reduce the "carbon footprint" of the company on a continuous basis. This continues to be a focus area and regular investment will continue. Company also works aggressively on safety assessment and improvement projects. Process Safety Management Principles are being implemented and regular evaluation of process hazards, new measures to improve process controls and automation to improve safety. Company is moving more and more toward closed operations, investing in asset renewal and upgradation. During the year, two production blocks were revamped and resettled for safer and better operations. Contractor Safety Management has been launched as a key initiative now and we expect to strengthen this further. All our employees undergo regular medical check-up and counseling for people with abnormalities. Awareness and follow-up sessions, sessions with external medical facilities are conducted regularly to ensure that employees remain fit and lead a healthy life.

Internal Control Systems and their Adequacy

The Company has in place an improved internal control system aimed at controlling business processes, ensuring efficiency in business operations, accurate financial information and

regulatory compliance. To ascertain the validity of these internal control systems, an external organisation has been involved in the design and support of the system.

The oversight function is performed by the Audit Committee, which meets periodically to review internal audit reports and observe how action plans for key issues are being implemented. Aside from monitoring corrective measures and assessing improvement suggestions, the committee works with external auditors to review the control environment. The results of which are normally shared with the Board of Directors.

Cautionary Statement

The Management Discussion & Analysis (MD&A) section contains statements regarding the Company's objectives, expectations and forecasts that might be forward-looking as per relevant securities laws and regulations. It's important to note that actual results could vary from these statements due to economic conditions, climatic influences, government policies and other unforeseen factors. While the MDA includes all mandatory information, any missing details in this section are provided elsewhere in the Annual Report.

PUNJAB CHEMICALS AND CROP PROTECTION LIMITED

CIN: L24231PB1975PLC047063

Registered Office: Milestone 18, Ambala Kalka Road, Village & PO Bhankharpur, Derabassi

District S.A.S. Nagar, Mohali (Punjab) - 140201

Telephone Nos.: 01762- 280086, 522250, Fax Nos.: 01762-280070

E-mail: info@punjabchemicals.com, website: punjabchemicals.com

NOTICE

NOTICE is hereby given that the 50th Annual General Meeting ("AGM") of the members of Punjab Chemicals and Crop Protection Limited will be held on Friday, the July 31, 2026 at 2:30 P.M. (IST) through Video Conferencing ("VC") /Other Audio-Visual Means ("OAVM") facility, to transact the following business:

ORDINARY BUSINESS:

To consider and, if thought fit, to pass with or without modification(s), the following resolutions as **Ordinary Resolutions**:

- 1. To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended March 31, 2026 together with the Reports of the Board of Directors ("the Board") and Auditors' thereon.**

"**RESOLVED THAT** the Audited Financial Statements (Standalone and Consolidated) of the Company, Reports of the Board of Directors and the Auditors' thereon for the financial year ended on March 31, 2026 along with Annexures as laid before this Annual General Meeting be and are hereby received, considered, approved and adopted."

- 2. To declare a dividend on Equity Shares of the Company for the financial year ended March 31, 2026.**

"**RESOLVED THAT** a dividend of ₹3/- (Rupees Three Only) per equity share (30%) recommended by the Board of Directors be and is hereby declared on the equity shares of ₹10/- (Ten rupees) each fully paid-up of the Company for the year ended March 31, 2026 and be paid, subject to deduction of tax at source and, in accordance with the provisions of Section 123 and the other applicable provisions, if any of the Companies Act, 2013."

- 3. To appoint a Director in place of Mr. Shivshankar Shripal Tiwari (DIN: 00019058) who retires by rotation and being eligible, offers himself for re-appointment.**

"**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Shivshankar Shripal Tiwari (DIN: 00019058), a Director of the Company who retires by rotation at this Meeting, being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company."

- 4. To appoint a Director in place of Mr. Mukesh Dahyabhai Patel (DIN: 00009605) who retires by rotation and being eligible, offers himself for re-appointment.**

"**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies

Act, 2013, Mr. Mukesh Dahyabhai Patel (DIN: 00009605), a Director of the Company who retires by rotation at this Meeting, being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company."

SPECIAL BUSINESS:

- 5. Continuation of Directorship of Mr. Mukesh Dahyabhai Patel (DIN: 00009605) as Non-Executive Non-Independent Director of the Company beyond the age of 75 years.**

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

"**RESOLVED THAT** pursuant to Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and other applicable provisions, if any, of the Companies Act, 2013 and relevant Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, consent of the members be and is hereby accorded to the continuation of Mr. Mukesh Dahyabhai Patel (DIN: 00009605), as Non-Executive Non-Independent Director of the Company beyond the age of 75 years up to expiring of his term as director liable to retire by rotation."

- 6. Ratification of the remuneration payable to the Cost Auditors of the Company for the financial year ending March 31, 2027.**

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

"**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and upon recommendation of the Audit Committee and as proposed by the Board of Directors, consent of the members be and is hereby accorded for the payment of remuneration of ₹2,20,000/- (Rupees Two Lakh Twenty Thousand Only) plus applicable taxes thereon and reimbursement of out of pocket expenses at actuals to be paid to M/s. Khushwinder Kumar & Co., Cost Accountant, Jalandhar, (Firm Registration No. 100123) who has been appointed by the Board as the Cost Auditors of the Company for the financial year 2026-27."

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), with respect to Item No. 5 to 6 forms part of this Notice. The Board of Directors has considered and decided to include Item No. 5 to 6 as given above as Special Business in the forthcoming AGM as it is unavoidable in nature. The relevant details pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("SS-2") in respect of the Directors seeking appointment/reappointment at this AGM, are also part of the Notice.
2. The Ministry of Corporate Affairs ("MCA") has vide its latest Circular No. 03/2025 dated September 22, 2025, read with Circulars dated April 8, 2020, April 13, 2020, May 5, 2020, and subsequent circulars issued in this regard, (collectively referred to as "MCA Circulars") allowing, inter-alia, conducting of AGMs through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") facility till further orders, in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular dated May 5, 2020. The SEBI also vide its Circular No. SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2024/133 dated October 3, 2024 ("SEBI Circular") have provided certain relaxations from compliance with certain provisions of the Listing Regulations. In compliance with these Circulars, provisions of the Act and the Listing Regulations, the 50th AGM of the Company is being conducted through VC / OAVM facility on Friday, the July 31, 2026 at 02:30 P.M. (IST), without the physical presence of members at a common venue.

The deemed venue of the AGM shall be the Registered Office of the Company, situated at Milestone 18, Ambala Kalka Road, Village & PO Bhankharpur, Derabassi, District S.A.S. Nagar, Mohali, Punjab -140201.
3. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD THROUGH VC/OAVM, PHYSICAL ATTENDANCE OF THE MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THE AGM AND HENCE THE ATTENDANCE SLIP AND PROXY FORM AND ROUT MAP ARE NOT ANNEXED TO THIS NOTICE.**
4. Institutional Investors/Corporate members, other than Individual/HUF/NRI, can appoint their authorised representatives pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC/OAVM or to vote through remote e-voting. They are requested to send a certified copy of the Board Resolution of authorisation to the Scrutinizer by e-mail at cspsdia@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com.
5. The members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. The members can login and join the AGM through VC/OAVM mode up to 15 (fifteen) minutes prior to the scheduled time of commencement of meeting. The window for joining shall be kept open till 15 (fifteen) minutes after the scheduled start time. The facility to participate in the AGM through VC/OAVM will be available for up to 1,000 members who may join on a first come first serve basis. However, the above restriction shall not be applicable to the members holding 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel(s), the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, Scrutinizers etc.
7. In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company as on the cut-off date will be entitled to vote during the AGM.
8. All material documents referred to in the accompanying Notice and the Explanatory Statement, as well as the Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Act, will be available for inspection by the members in electronic mode during the AGM. Members who wish to inspect these documents or seek any information regarding the accounts or any matter to be placed at the AGM may send a request by email to investorhelp@punjabchemicals.com, mentioning their DP ID & Client ID or Physical Folio Number, on or before Monday, July 20, 2026. The Company will respond suitably to such requests.
9. In compliance with the aforesaid MCA Circulars and the Listing Regulations, the Notice of the AGM and Annual Report for the financial year 2025-26 are being sent only through electronic mode to those members whose email addresses are registered with the Company or Depository Participants(s) ("DPs") or RTA, unless the members have registered their request for physical copy of the same. Additionally, in accordance with Regulation 36(1)(b) of the Listing Regulations, the Company is also sending a letter to members whose e-mail ids are not registered with Company / RTA / DPs providing the weblink of Company's website from where the Annual Report for the financial year 2025-26 can be accessed. The Notice convening the 50th AGM and Annual Report has been uploaded on the website of the Company at www.punjabchemicals.com and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also available on the website of Central Depository Services (India) Limited at www.evotingindia.com.

10. The Company has fixed Friday, July 17, 2026 as the "Record Date" for determining entitlement of members for final dividend for the financial year ended March 31, 2026, if approved at the AGM.
 11. The Board of Directors have recommended the dividend of ₹3/- (Rupees Three Only) per equity share of ₹10/- each (i.e. 30%), for the financial year ended March 31, 2026, subject to the approval of the members at the AGM. The dividend will be paid to eligible members as outlined below, after deduction of TDS wherever applicable, within the prescribed statutory period under the Companies Act, 2013 and SEBI Listing Regulations.
 - a. To all the Beneficial Owners as at the end of the day on Friday, July 17, 2026 as per the list of beneficial owners to be furnished by the National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") in respect of the shares held in electronic form; and
 - b. To all members in respect of shares held in physical form after giving effect to valid transmission and transposition in respect of valid requests lodged with the Company/ Registrar and Share Transfer Agent on or before the close of business hours on Friday, July 17, 2026. Further, pursuant to the SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024, read with SEBI Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024 has mandated that with effect from April 1, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature.
 12. In accordance with the provisions of the Income Tax Act, 2025 as amended by the Finance Bill, 2026, approved by the President of India on March 30, 2026, dividend declared and paid by the Company is taxable in the hands of its members and the Company is required to deduct tax at source ("TDS") from dividend paid to the members at the applicable rates. In general, to enable compliance with TDS requirements, members are requested to complete and/or update their Residential Status, PAN and Category as per the IT Act with their Depository Participants ("DPs") or in case shares are held in physical form, with the Company by sending documents by Monday, July 13, 2026 to enable the Company to determine the appropriate TDS/ withholding tax rate applicable, verify the documents and provide exemption. For the detailed process, please visit the website of the Company at <https://www.punjabchemicals.com/annual-reports/> and also refer to the email sent to members in this regard. The communication providing complete information and detailed instructions with respect to tax on the dividend for the financial year ended March 31, 2026 is being sent separately to the members whose email addresses are registered with the Company/DPs.
 13. In order to receive the dividend in a timely manner, members holding shares in physical form and not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means are requested to mail the following documents to Company's Registrars and Transfer Agents at info@alankit.com or to the Company at investorhelp@punjabchemicals.com, not later than Monday, July 13, 2026:
 - a. signed request letter mentioning their name, folio number, complete address and following details relating to bank account in which the dividend is to be received:
 - Name and Branch address of Bank and Bank Account type;
 - Bank Account Number allotted by your bank after implementation of Core Banking Solutions; and
 - 11 digit IFSC Code.
 - b. self-attested copy of cancelled cheque bearing the name of the member or first holder, in case shares are held jointly;
 - c. self-attested copy of the PAN Card linked with Aadhaar; and
 - d. self-attested copy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the member as registered with the Company.
- The members holding shares in demat mode are advised to update their Electronic Bank Mandate with their Depository Participant(s).
14. The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2017-18 to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Details of dividends so transferred to IEPF Authority are available on the website of IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.
 15. The members are informed that, pursuant to the provisions of Sections 124 and 125 of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, any dividend which remains unpaid or unclaimed for a period of seven consecutive years from the date of its transfer to the Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, in accordance with the aforesaid provisions, the corresponding equity shares in respect of which dividend has remained unpaid or unclaimed for seven consecutive years are also liable to be transferred to the Demat Account of the IEPF Authority. Accordingly, the unpaid/unclaimed dividend for the financial year 2018-19, along with the corresponding equity shares, is due to be transferred to the IEPF Authority in September 2026, upon completion of the stipulated period of seven (7) consecutive years. The members who have not yet claimed their dividend for the aforesaid financial year are requested to lodge their

claims with the Company or its Registrar and Transfer Agent ("RTA") at the earliest, in order to avoid transfer of the said dividend and corresponding equity shares to the IEPF. It is further informed that the Company has already dispatched individual notices to the concerned members and has also published the requisite notice(s) in newspapers, in compliance with the applicable statutory requirements, thereby providing an opportunity to claim such unpaid/unclaimed dividend and corresponding shares prior to the initiation of the transfer process to the IEPF Authority.

16. The dividends for the financial years 2019-20 to 2024-25 remain unpaid/unclaimed and are not yet due for transfer to the Investor Education and Protection Fund. The members are advised to claim these amounts at the earliest to ensure timely receipt and to prevent their transfer to the Investor Education and Protection Fund (IEPF). The total amount of unclaimed dividend has been uploaded on the website of the Company at <https://www.punjabchemicals.com/dividend-shareholders-information/>.

17. Pursuant to Regulation 39(4) and Schedule V and VI of the Listing Regulations, the Company has transferred unclaimed shares in its Unclaimed Suspense Account details of which are given below:

Sr. No.	Particulars	No. of members	No. of shares
(i)	Aggregate number of members and the outstanding shares lying in the unclaimed suspense account at the beginning of the year as on April 1, 2025.	222	10,260
(ii)	Number of members who approached the Company for transfer of shares from the Unclaimed Suspense Account during the year.	1	35
(iii)	Number of members to whom shares were transferred from Suspense Account during the year.	1	35
(iv)	Aggregate number of members and the outstanding shares lying in the unclaimed suspense account at the end of the year as on March 31, 2026.	221	10,225

The voting rights on shares held in the Unclaimed Suspense Account shall remain frozen until the rightful owner establishes their title and claims the shares. Further no dividend has been claimed on the aforementioned shares for seven consecutive years, consequently, these shares, along with the corresponding unpaid or unclaimed dividends, are also liable to be transferred to the Investor Education and Protection Fund Authority ("IEPF") under the relevant provisions of the Companies Act, 2013, and the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time. The Company has also dispatched individual notices to these members and published the requisite notice(s) in newspapers, thereby providing an opportunity to claim such unpaid/unclaimed dividends and corresponding shares prior to initiating the transfer process to IEPF Authority.

18. SEBI vide its notifications dated June 8, 2018, November 30, 2018 and January 24, 2022, mandated that securities of listed companies can be transferred only in dematerialized form. Accordingly, the Company has stopped accepting any fresh lodgment of transfer of shares in physical form including transmission and transposition requests. In view of the above and to avail various benefits of dematerialization, members holding shares in physical form are requested to dematerialize the shares held by them in physical form.
19. SEBI introduced a special, time-bound window from July 7, 2025, to January 6, 2026, for the re-lodgment of physical share transfer requests that were previously rejected or returned before April 1, 2019. This initiative allowed members to transfer and dematerialize shares that faced procedural or documentation issues, aiming to resolve long-standing legacy, non-disputed ownership cases. In order

to further facilitate the investors to get rightful access to their securities, SEBI has opened another special window for transfer and dematerialization of physical securities which were sold / purchased before April 1, 2019. This special window is open for a period of 1 (one) year from February 5, 2026 to February 4, 2027 and is available for such transfer requests which were previously submitted and were rejected or returned before April 1, 2019 due to deficiency of documents, process or otherwise. The members who are eligible for this are requested to take advantage of this special window and have the shares transferred in their name(s). Further, Shares under dispute between transferor and transferee, or those already transferred to the Investor Education and Protection Fund (IEPF), will not be considered under this window.

20. The members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only, while processing Investor service requests, viz. issue of duplicate securities certificate; renewal/ exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Further SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2022/65 dated May 18, 2022 has simplified the procedure and standardized the format of documents for transmission of securities. In furtherance of the Government of India's initiatives on "Ease of Doing Business" and "Ease of Doing Investment", SEBI has dispensed with the requirement of issuance of Letter of Confirmation ('LOC') for effecting direct credit of securities to the dematerialized account of investors. This change aims to speed up the process significantly and will be

effective from April 2, 2026. LOCs issued earlier remain valid for dematerialization within 120 days.

Under the new framework, investors must already hold a demat account and submit a duly attested, recent Client Master List along with prescribed forms. RTA, Companies and Depositories are required to complete verification and credit securities directly into the demat account within 30 days of the receipt of such request.

Accordingly, members are requested to make service requests to the Company through e-mail investorhelp@punjabchemicals.com or by writing to the Company's RTA at info@alankit.com by submitting a duly filled and signed Form ISR-4 & ISR-5, as the case may be along with recent Client Master List. The said forms can be downloaded from the Company's website at <https://www.punjabchemicals.com/dividend-shareholders-information/>.

21. The members may please note that SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal at <https://smartodr.in/login>.
22. The members may please note that SEBI vide its circular dated February 6, 2026, has mandated furnishing of PAN linked with Aadhaar, KYC details (i.e. Postal Address with PIN Code, email address, mobile number, bank account details & specimen signature) and nomination details by holders of securities in physical form, any service request or complaint received from a member will not be processed until the aforesaid details/documents are provided to RTA. Further, any payment of dividend shall only be made in electronic mode to such members. Relevant details and prescribed forms in this regard are available on website of the Company at <https://www.punjabchemicals.com/dividend-shareholders-information/>.
23. The members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company by submitting Form No. SH-13 to the Registrar and Transfer Agent (RTA). The nomination form can be downloaded from the Company's website at www.punjabchemicals.com under the dividend/ shareholder information section. The members, who require communication in physical form in addition to e-communication or have any other queries, may write to the RTA or Company at its Registered Office address.
24. Non-Resident Indian members are requested to inform RTA, immediately of:
 - a. Change in their residential status on return to India for permanent settlement.
 - b. Particulars of their bank account maintained in India with complete name, account number, account type and branch address of the Bank with PIN code.
25. To prevent fraudulent transactions, members are requested to exercise due diligence and immediately notify the RTA of any change in their address and/ or bank mandate in respect of shares held in physical form and to their DPs in respect of shares held in dematerialized form. The members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holding should be obtained from the concerned DP and holding should be verified. The Securities and Exchange Board of India ('SEBI') has mandated the submission of PAN by every participant in securities market. The members holding shares in electronic form are, therefore, requested to submit their PAN to their respective DP with whom they are maintaining their demat accounts. The members holding shares in physical form can submit their PAN to the Company/ RTA.
26. SEBI has introduced DigiLocker as a Digital Public Infrastructure to reduce unclaimed securities in the Indian Securities Market. DigiLocker is digital documents wallet of Government of India facilitating investors to securely store and access Issued Documents, demat holdings etc., along with a facility to appoint a nominee to their DigiLocker account. In the event of the investor's demise, such nominee(s) will be provided access to the digital information of the deceased investor to initiate the process of transmission of deceased investor's financial assets or to pass the information to surviving joint holder or to legal heirs. [SEBI Circular No. SEBI/HO/OIAE/OIAE_IAD-3/P/ CIR/2025/32 dated March 19, 2025].
27. To support green initiatives, and pursuant to the provisions of Sections 101 and 136 of the Act, read with the Companies (Management and Administration) Rules, 2014, the Companies (Accounts) Rules, 2014, and Regulation 36 of the Listing Regulations, the Company can send the Notice of the Annual General Meeting (AGM), Financial Statements, and other communications to its members in electronic form. Therefore, the members holding shares in dematerialized form are requested to register or update their e-mail addresses with their respective Depository Participants (DPs). The members holding shares in physical form are requested to register or update their e-mail addresses with the Company or its Registrar and Transfer Agent (RTA) by submitting a duly signed request letter, quoting their Folio Number.

28. Remote e-voting before / during the AGM

- I. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, Secretarial Standard-2 on General Meeting issued by ICSI and Regulation 44 of Listing Regulations (as amended) and the MCA Circulars, the Company is providing facility of remote e-voting to its members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an arrangement with CDSL for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a member using remote e-voting system as well as remote e-voting during the AGM will be provided by CDSL.
- II. The members of the Company holding shares either in physical form or in electronic form as on the cut-off date of **Friday, July 24, 2026** may cast their vote by remote e-voting. A person who is not a member as on the cut-off date should treat this Notice for information purpose only. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting before the AGM as well as remote e-voting during the AGM. Any person who acquires shares of the Company and becomes a member of the Company after the dispatch of the Notice and holding shares as on the cut-off date i.e. **Friday, July 24, 2026** may obtain the User ID and Password by sending a request at investorhelp@punjabchemicals.com.
- III. **The remote e-voting period commences on Tuesday, July 28, 2026 at 09:00 A.M. (IST) and ends on Thursday, July 30, 2026 at 05:00 P.M. (IST).** The remote e-voting module shall be disabled by CDSL for voting thereafter. The members who have voted on some of the resolutions during the said voting period are also eligible to vote on the remaining resolutions during the AGM. Once the vote on a resolution is cast by the Member, the member shall not be allowed to change it subsequently. The voting rights of the members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date i.e. **Friday, July 24, 2026**.
- IV. The members will be provided with the facility for voting through electronic voting system during the VC proceedings at the AGM and members participating at the AGM, who could not cast their vote by remote e-voting. They will be eligible to exercise their right to vote at the end of discussion on the resolutions on which voting is to be held, upon announcement

by the Chairman. The members who have cast their vote on resolution(s) by remote e-voting prior to the AGM will also be eligible to participate at the AGM through VC/ OAVM but shall not be entitled to cast their vote on such resolution(s) again. The e-voting module on the day of the AGM shall be disabled by CDSL for voting 15 minutes after the conclusion of the Meeting. The members who have already voted prior to the meeting date would not be entitled to vote at the meeting venue

- V. Pursuant to SEBI Circular No. SEBI/HO/FD/CMD/CIR/P/2020/242 dated December 9, 2020, under Regulation 44 of the Listing Regulations, listed companies are required to provide remote e-voting facility to its members in respect of all members' resolutions. However, it has been observed that the participation by the public non-institutional members / retail members is at a negligible level. Currently there are multiple e-voting service providers ("ESPs") providing e-voting facility to listed companies in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the members. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication, but also enhancing ease and convenience of participating in e-voting process.
- VI. In view of the aforesaid SEBI Circular dated December 9, 2020, individual members holding shares in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. The members are advised to update their mobile number and email ID in their demat accounts in order to access e-voting facility.

The instructions for members for remote e-voting and joining General Meeting are as under:

Step 1: Access through Depositories CDSL/NSDL e-voting system in case of individual members holding shares in demat mode.

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

Pursuant to the above mentioned SEBI Circular, Login method for e-voting for Individual members holding securities in Demat mode CDSL/NSDL are given below:

Type of members	Login Method
Individual members holding securities in Demat mode with CDSL Depository	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user ID and password. Option will be made available to reach e-voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & My Easi New (Token) Tab. 2) After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by the Company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-voting Service Providers, so that the user can visit the e-voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website at www.cdslindia.com and click on login & My Easi New (Token) Tab and then click on registration option. 4) Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN from e-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered mobile and email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting Service Providers.
Individual members holding securities in demat mode with NSDL Depository	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on Company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a verification code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on Company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period. 4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN., verification code and generate OTP. Enter the OTP received on registered email ID/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on Company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.
Individual members (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. After Successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on Company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

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

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

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

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

- (i) Login method for Remote e-voting for Physical members and members other than individual holding in Demat form.
- The members should log on to the e-voting website www.evotingindia.com.
 - Click on **"Members"** module.
 - Now enter your **User ID**
 - For **CDSL**: 16 digits beneficiary ID,
 - For **NSDL**: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in **Physical Form** should enter Folio Number registered with the Company.
 - Next enter the **Image Verification** as displayed and Click on **Login**.
 - If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any Company, then your **existing password** is to be used.
 - If you are a **first-time user** follow the steps given below:

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

- After entering these details appropriately, click on **"SUBMIT"** tab.
- Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that the Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Click on the **EVS** for the relevant Punjab Chemicals and Crop Protection Limited i.e 260629002 on which you choose to vote.
- On the voting page, you will see **"RESOLUTION DESCRIPTION"** and against the same the option **"YES/NO"** for voting. Select the option **YES** or **NO** as desired. The option **YES** implies that you assent to the Resolution and option **NO** implies that you dissent to the Resolution.
- Click on the **"RESOLUTIONS FILE LINK"** if you wish to view the entire Resolution details.

- (viii) After selecting the resolution, you have decided to vote on, click on **"SUBMIT"**. A confirmation box will be displayed. If you wish to confirm your vote, click on **"OK"**, else to change your vote, click on **"CANCEL"** and accordingly modify your vote.
- (ix) Once you **"CONFIRM"** your vote on the resolution, you will not be allowed to modify your vote.
- (x) You can also take a print of the votes cast by clicking on **"Click here to print"** option on the voting page.
- (xi) If a demat account holder has forgotten the login password then Enter the **User ID** and the image verification code and click on **Forgot Password** & enter the details as prompted by the system.
- (xii) There is also an optional provision to upload **BR/POA** if any uploaded, which will be made available to the scrutinizer for verification.
- (xiii) **Additional Facility for Non – Individual members and Custodians – For Remote voting only.**
- Non-Individual members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the **"Corporates"** module.
 - A scanned copy of the **Registration Form** bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a **Compliance User** should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is **Mandatory** that, a scanned copy of the **Board Resolution** and **Power of Attorney (POA)** which they have issued in favour of the Custodian, if any, should be uploaded in **PDF format** in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual members are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cspsdia@gmail.com and info@punjabchemicals.com, if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

Process for those members whose email/mobile no. are not registered with the Company/Depositories.

- 1) For Physical members-** Please provide necessary details like **Folio No., Name of member, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card)** by email to **Company/RTA email ID**.
- 2) For Demat members-** Please update your **email ID & mobile no.** with your respective **Depository Participant (DP)**
- 3) For Individual Demat members –** Please update your **email ID & mobile no.** with your respective **Depository Participant (DP)** which is mandatory while **e-voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending **AGM & e-voting** from the e-voting system, you may refer the **Frequently Asked Questions ("FAQs")** and **e-voting manual** available at www.evotingindia.com, under **help section** or write an email to helpdesk.evoting@cdslindia.com or contact at toll free number **18002109911**.

All grievances connected with the facility for voting by electronic means may be addressed to **Mr. Rakesh Dalvi, Sr. Manager, CDSL**, A, Wing, 25th Floor, Marathon Futrex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai-400013 or send an email to helpdesk.evoting@cdslindia.com or call on **18002109911**.

Instructions for members attending the AGM through VC / OAVM and e-voting during AGM are as under:

- i. The procedure for attending the AGM and e-voting on the day of AGM is the same as the instructions mentioned above for remote e-voting.
- ii. The link for VC / OAVM to attend AGM will be available where the EVSN of the Company will be displayed after successful login as per the instructions mentioned above for remote e-voting.
- iii. The members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- iv. The members are encouraged to join the AGM through Laptops / IPads for better experience.
- v. Further, members will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.
- vi. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable wi-fi or LAN connection to mitigate any kind of aforesaid glitches.

- vii. The members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered email address mentioning their name, DP ID and Client ID/Folio number, PAN and mobile number at investorhelp@punjabchemicals.com on or before **Friday, July 24, 2026**. Only those members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- viii. The members who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to the date of the AGM mentioning their name, demat account number / folio number, email ID, mobile number at the Company's email ID. These queries will be replied to by the Company suitably by email.
- ix. Only those members, who are present in the AGM through VC/OAVM facility and have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
- x. If any votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the AGM through VC/OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the AGM is available only to the members attending the AGM.

29. Other instructions

- I. Mr. P.S. Dua, Practicing Company Secretary, (Membership No. 4552, COP No. 3934), have been appointed as the Scrutinizer by the Board to scrutinize remote e-voting

process before the AGM as well as remote e-voting during the AGM in a fair and transparent manner.

- II. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of remote e-voting system for all those members who are present during the AGM through VC/OAVM but have not cast their votes by availing the remote e-voting facility.
- III. The Scrutinizer will submit his report to the Chairman or to any other person authorised by the Chairman after completion of scrutiny of the votes cast through remote e-voting before/during the AGM, within the time stipulated under the applicable laws. The results declared along with the Scrutinizer's report shall be communicated to the Stock Exchanges on which the Company's shares are listed and will also be displayed on the Company's website at www.punjabchemicals.com; CDSL website at www.evotingindia.com and Notice Board at the Registered Office of the Company.
- IV. Subject to the receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of AGM i.e. Friday, the July 31, 2026.

By order of the Board of Directors

Rishu Chatley
Company Secretary

Date: May 1, 2026

Registered Office:

Milestone 18, Ambala Kalka Road
Village & PO Bhankharpur
Derabassi, District S.A.S. Nagar
Mohali (Punjab) - 140201
CIN: L24231PB1975PLC047063

EXPLANATORY STATEMENT

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('the Act'), given hereunder sets out all material facts relating to the special business mentioned at Item No. 5 to 6 of the accompanying Notice dated May 1, 2026.

Item No. 5

Pursuant to the Companies Act, 2013 and other applicable provisions, members of the Company re-designated Mr. Mukesh Dahyabhai Patel (DIN: 00009605), aged about 76 years, as a Non-Executive Non-Independent Director at the 48th Annual General Meeting held on August 2, 2024. Additionally, the members also passed a Special Resolution to approve the continuation of his directorship beyond the age of 75 years, as permitted under Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly, the members had approved Mr. Mukesh Dahyabhai Patel continuation as a Director up to the expiry of his current term, which is liable to retire by rotation.

Mr. Mukesh Dahyabhai Patel is a Graduate in Chemical Engineering and has over five decades of extensive experience in finance and corporate management at the Director level. He has been associated with various industry bodies including the Indian Chemical Manufacturers' Association, CHEMEXCIL, and the Indian Association of Materials Management. Considering his vast experience, industry expertise, and valuable contribution to the Company, his continued association remains beneficial to the Company.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors, at its meeting held on May 1, 2026, on the basis of the satisfactory annual performance evaluation, has recommended the continuation of directorship of Mr. Mukesh Dahyabhai Patel (DIN: 00009605) as a Non-Executive Non-Independent Director of the Company beyond the prescribed age limit, subject to the approval of the members by way of a Special Resolution.

None of the Directors, Key Managerial Personnel (KMP) of the Company and their respective relatives, except Mr. Mukesh

Dahyabhai Patel (DIN: 00009605) and his relatives, are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of this Notice.

The Board recommends the Special Resolution set forth in this notice as Item No.5 for the approval of members.

This statement may also be regarded as an appropriate disclosure under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Item No. 6

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment of M/s Khushwinder Kumar & Co. Cost Accountant, Jalandhar (Firm Registration No. 100123) as the Cost Auditor of the Company to conduct audit of the cost records of all the Divisions of the Company for the financial year 2026-2027 on a consolidated remuneration of ₹2,20,000/- (Rupees Two Lakh Twenty Thousand Only) plus GST thereon and reimbursement of out of pocket expenses.

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 Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice for approval / ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2027.

None of the Directors, Key Managerial Personnel (KMP) of the Company and their respective relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of this Notice.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the accompanying Notice for the approval of the Members.

ADDITIONAL INFORMATION ON DIRECTORS BEING RE-APPOINTED AS REQUIRED UNDER REGULATION 36(3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA, IN THE ORDER OF THE ITEM MENTIONED IN THE NOTICE:

Name of the Director	Mr. Shivshankar Shripal Tiwari
DIN	00019058
Date of Birth	August 30, 1953
Age	72 years
Date of first appointment	May 28, 2015
Qualifications	M.Sc., Post Graduate Diploma-Business Management
Expertise in specific functional areas	He is experienced in managing the chemical plants, production, manpower management and domestic commercial market of chemicals.
Directorship in other Public Limited Companies (excluding foreign companies, private companies & Section 8 companies) as on March 31, 2026	Nil
Membership of Committees/ Chairmanship in other Public Limited Companies (excluding foreign companies, private companies & Section 8 companies) as on March 31, 2026	Nil
Listed entities from which Director has resigned from Directorships in the Last three (3) years.	Nil
Total no. of Board Meetings held during the year	5
Total no. of Board Meetings attended during the year	5
No. of shares held	34,469 Equity Shares
Relationships between Directors inter-se	None
Terms and conditions of appointment or re-appointment of Director	Non-Executive Non-Independent Director liable to retire by rotation
Remuneration last drawn (including Sitting fees, if any)	The Sitting fees along with commission drawn and the professional fees paid are disclosed in report on corporate governance forming part of Annual Report for financial year 2025-26.

Name of the Director	Mr. Mukesh Dahyabhai Patel
DIN	00009605
Date of Birth	December 12, 1949
Age	76 years
Date of first appointment	February 19, 1985
Qualifications	Graduate in Chemical Engineering
Expertise in specific functional areas	He is having over five decades of experience in finance and corporate management at Director level, he was associated with various industry bodies such as Indian Chemicals Manufacturer's Association, CHEMXCIL and Indian Association of Materials' Management.
Directorship in other Public Limited Companies (excluding foreign companies, private companies & Section 8 companies) as on March 31, 2026	TML Industries Limited
Membership of Committees/ Chairmanship in other Public Limited Companies (excluding foreign companies, private companies & Section 8 companies) as on March 31, 2026	Nil
Listed entities from which Director has resigned from Directorships in the Last three (3) years.	Shilchar Technologies Limited-ceased to be director on completion of term at closing hour of March 31, 2024.
Total no. of Board Meetings held during the year	5
Total no. of Board Meetings attended during the year	5
No. of shares held	400 Equity Shares

Name of the Director	Mr. Mukesh Dahyabhai Patel
Relationships between Directors inter-se	None
Terms and conditions of appointment or re-appointment of Director	As per the resolutions in Item no. 4 & 5 of this Notice, read with the explanatory statement thereto.
Remuneration last drawn (including Sitting fees, if any)	The Sitting fee along with commission drawn is disclosed in report on Corporate Governance forming part of Annual Report for financial year 2025-26.

By order of the Board of Directors

Rishu Chatley

Company Secretary

Date: May 1, 2026

Registered Office:

Milestone 18, Ambala Kalka Road
Village & PO Bhankharpur
Derabassi, District S.A.S. Nagar
Mohali (Punjab) - 140201
CIN: L24231PB1975PLC047063

Board's Report

Dear members,

It's a matter of great pleasure for your Directors to present the 50th (Fiftieth) Annual Report on the business and operations of Punjab Chemicals and Crop Protection Limited ("the Company"), together with the Audited Financial Statements (Standalone and Consolidated) for the financial year ended March 31, 2026, pursuant to the relevant provisions of the Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The performance of the Subsidiary has also been referred to wherever required.

FINANCIAL HIGHLIGHTS

The financial performance of your Company for the Financial Year ended March 31, 2026 is summarized below:

(₹ in Lakh)

Particulars	Consolidated		Standalone	
	FY2025-26	FY2024-25	FY2025-26	FY2024-25
Revenue from Operations	102,980	90,052	102,540	89,838
Earnings before Interest, Tax, Depreciation & Amortisation (EBITDA)	11,813	9,918	11,591	9,925
Depreciation / Amortisation	2,864	2,504	2,817	2,480
Finance Cost	1,682	1,783	1,681	1,783
Other Income	1,368	143	1,321	121
Profit / (Loss) before Tax & Exceptional item	8,635	5,775	8,414	5,783
Exceptional Items	208	418	208	418
Profit / (Loss) before Tax (PBT)	8,427	5,357	8,206	5,365
Tax Expenses	2,031	1,464	2,063	1,388
Profit / (Loss) after Tax (PAT)	6,396	3,893	6,143	3,977
Other Comprehensive income / (loss) for the year (net of tax)	(152)	(70)	80	(24)
Total comprehensive income for the year	6,244	3,823	6,223	3,953
Earnings per share (EPS) - Basic and diluted (in ₹)	52.17	31.75	50.11	32.44
Attributable to :				
Owners of the parent	6,244	3,823	6,223	3,953
Non-controlling Interests	Nil	Nil	Nil	Nil

OPERATIONAL PERFORMANCE

Your Directors are pleased to report the financial performance as under:

Standalone Results: During FY2025-26, the Company has achieved its highest-ever standalone net revenues. The Standalone net revenues grew by 14% to ₹1025 crore as compared to ₹898 crore during previous financial year. The EBITDA grew by 16.8% to ₹116 crore against ₹99 crore earned in the previous financial year. The Company's Profit after tax also increased by 54% to ₹61 crore as against ₹40 crore in FY2024-25.

The Company's performance was primarily driven by the Agro Chemicals Division, which recorded net revenues of ₹701 crore (previous year: ₹606 crore), contributing approximately 68% to total revenue. The Specialty Chemicals & Pharmaceuticals Division reported revenues of ₹199 crore as against ₹171 crore in the previous year, while the Industrial Chemicals Division achieved revenues of ₹125 crore compared to ₹121 crore in the preceding year.

During FY2025-26, export revenues stood at ₹444 crore, compared to ₹346 crore in the previous year, reflecting a growth

of 28%. The Domestic revenues also grew to ₹582 crore during the year under review, as compared to ₹552 crore during the previous financial year. The Company continues to meet customer requirements effectively and remains committed to maintaining high levels of customer satisfaction.

The consolidated revenue from operations grew by 14% to ₹1,030 Crore compared to ₹900 Crore in previous financial year. The Profit after Tax also increased by 64% to ₹64 Crore from ₹39 Crore in FY2024-25.

SUBSIDIARY COMPANIES / ASSOCIATE COMPANIES/ JOINT VENTURES

The Company has one wholly-owned overseas subsidiary namely, SD Agchem (Europe) NV, based in Belgium. The Company does not have any material subsidiary.

During the year, the Board of Directors conducted a comprehensive review of the subsidiary's operations. In compliance with Section 129(3) of the Act, the Company has prepared its Consolidated Financial Statements, which are included in this Annual Report. Furthermore, a statement outlining the key financial highlights of the subsidiary, in

the prescribed format AOC-1, has been annexed to the Board's Report.

Further, during the year under review, the Company has invested Euro 1,600,602 (₹ 1,601 lakh) in SD Agchem for acquiring 6,368 equity shares at Euro 251.35 per share. In accordance with Article 7:210 of the Belgian Companies and Association Code, SD Agchem has reduced its equity share capital by Euro 11,757,072, by way of offsetting the accumulated losses, bringing down the share capital to Euro 61,500 (comprising of 22,981 equity shares of Euro 2.676 each) from Euro 11,818,572 (comprising of 16,613 equity shares of Euro 615 each and 6,368 equity shares of Euro 251.35 each) to improve its capital structure.

The Company does not have any associate companies or joint ventures within the meaning of Section 2(6) of the Act.

CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to Section 136 of the Act, the audited standalone and consolidated financial statements of the Company, along with the relevant information and the audited financial statements of its subsidiary, are available on the Company's website at www.punjabchemicals.com.

These documents are also available for inspection during business hours at the Company's Registered Office.

The Policy for Determining Material Subsidiaries, as approved by the Board of Directors in accordance with Regulation 16 of the SEBI Listing Regulations, is available on the Company's website and can be accessed at: <https://www.punjabchemicals.com/wp-content/uploads/2018/07/Policy-for-determining-Material-Subsidiary.pdf>.

The consolidated financial statements of the Company for the year ended on March 31, 2026 comprises the standalone financial statements of the Company and its subsidiary (together referred to as "the Group").

The consolidated financial statements together with the Auditors report thereon, forms part of the Annual Report.

DIVIDEND

The Board of Directors is pleased to recommend a dividend of ₹3/- per equity share (30%) for the financial year under review against a dividend of ₹3/- per equity shares (30%) in the previous year.

The total dividend amount to be paid for the financial year 2025-26 shall be ₹3.68 crore.

The proposed dividend on equity shares is subject to the approval of the members at the ensuing Annual General Meeting of the Company. Upon approval, the dividend will be disbursed to those members whose names appear in the Register of Members as on the record date determined for this purpose. The record date will be Friday, July 17, 2026 for the purpose of payment of dividend for the financial year 2025-26.

Pursuant to the amendment to the SEBI Listing Regulations, the provisions relating to issuance of 'payable-at-par' warrants / cheques has been omitted with effect from November 19, 2025.

Accordingly, all the dividend payments shall be made only through electronic mode of payment approved by the Reserve Bank of India and no payment of dividends will be made through physical modes. The members who have not registered or updated their bank account details will not be able to receive dividend until such details are duly registered / updated. For further details, please refer to the Notes to Notice of the AGM.

DIVIDEND DISTRIBUTION POLICY

Your Company's dividend distribution philosophy aims at sharing its profits with its members through a formal disbursement of profits. In accordance with Regulation 43A of the SEBI Listing Regulations, the Company has formulated a Dividend Distribution Policy which sets out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its members. The said Policy is made available on the Company's website at <https://www.punjabchemicals.com/wp-content/uploads/2021/05/Dividend-Distribution-Policy.pdf>.

UNPAID / UNCLAIMED DIVIDEND

The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2017-18 to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Details of dividends so transferred to IEPF Authority are available on the website of IEPF Authority and the same can be accessed through the link: www.iepf.gov.in. Further, details of unpaid/unclaimed dividends and those due for transfer to the IEPF are provided in the Notice of the 50th Annual General Meeting and in the Report on Corporate Governance, forming part of this Annual Report.

OUTLOOK

The Company operates across Agrochemicals, Performance Chemicals, Pharmaceuticals, and Industrial Chemicals. These sectors continue to demonstrate strong growth potential, driven by increasing demand for advanced chemical solutions, global supply chain diversification, and supportive policy measures from the Government of India. These factors are expected to encourage innovation and foster strategic collaborations between multinational corporations and Indian chemical manufacturers.

The Company is actively strengthening its research and development capabilities and technical expertise, reinforcing its position as a preferred Contract Research and Manufacturing Services (CRAMS) partner for both domestic and international customers. Leveraging its established presence and broad export portfolio, the Company is well-positioned to capitalize on emerging opportunities in global and domestic markets. Strategic initiatives are underway to develop new products, expand production capacities, and broaden the product portfolio through both CRAMS partnerships and direct market offerings. Engagements with existing and prospective customers to onboard new products and grow business relationships are progressing positively.

The Company is also monitoring geopolitical developments in key global markets, which could affect supply chains and commodity prices, and is implementing measures to mitigate potential impacts on operations and deliveries. With decades of industry experience and a proven track record of delivering high-quality products, the Company remains committed to strengthening customer relationships through continuous innovation, operational excellence, and advanced manufacturing technologies. Barring any unforeseen circumstances, the management remains optimistic about the Company's growth prospects, supported by its diversified portfolio and commitment to technological advancement.

FINANCE

a. Share Capital

The paid up Equity Share Capital as at March 31, 2026 stood at ₹12.26 crore consisting of 1,22,62,185 equity shares of ₹10/- each. During the year under review, there was no change in the share capital of the Company.

b. Public Deposits

The Company does not have any deposit from the public falling within the ambit of Section 73 of the Act and The Companies (Acceptance of Deposits) Rules, 2014.

c. Particulars of Loans, Guarantees or Investments Pursuant to Section 186 of the Act

Details of loans, guarantees, and investments as covered under Section 186 of the Act are disclosed in Note Nos. 48 and 47 of the Standalone and Consolidated Financial Statements, respectively, forming part of this Annual Report.

d. Transfer to Reserves

The Board of Directors has decided to retain the entire amount of profits in the profit and loss account and not to transfer any amount to the general reserve.

e. Credit Rating

During the year under review, there was no change in the credit ratings of the Company from any of the credit rating agencies. The ratings were reaffirmed, with Long-Term Debt rated at CARE BBB+ (Stable) and CRISIL BBB+/Stable, and Short-Term Debt rated at CARE A2.

ENVIRONMENT, SUSTAINABILITY, HEALTH AND SAFETY

At the Company, Environment, Health, and Safety (EHS) remains a cornerstone of our operations and long-term strategy. Our commitment goes beyond regulatory compliance, embedding sustainability, workplace safety, and employee well-being into our core values and daily practices. We continuously strive to create a safe and resilient work environment while promoting responsible resource use and minimizing environmental impact. By integrating EHS into our decision-making processes, we enhance operational efficiency, reduce risks, and ensure business continuity with minimal disruptions. Strong EHS performance reinforces stakeholder confidence, enhances our reputation, and supports sustainable growth. Through proactive measures, we

aim to prevent incidents, optimize resources, and foster a culture rooted in safety, accountability, and continuous improvement.

Safety remains a top priority at the Company, driven by a proactive and structured approach to risk management and operational excellence. We have implemented advanced technologies, including automated batch charging systems and agitated nutsche filter dryers, to reduce emissions and enhance process safety. Our comprehensive Process Safety Management (PSM) framework encompasses process safety information, validation protocols, and periodic risk assessments. Regular HAZOP studies, internal safety audits, and risk evaluations are conducted to maintain high standards of operational integrity. A well-defined incident reporting and investigation system ensures timely corrective and preventive actions. Safety practices are reinforced through ongoing reviews, training programs, and employee engagement initiatives. Employees participate in monthly safety training sessions and biannual mock drills, strengthening preparedness and emergency response capabilities. These efforts reflect our continued commitment to maintaining a safe, compliant, and incident-free workplace.

We place strong emphasis on the health and well-being of our employees, ensuring a supportive environment where safety extends beyond the workplace. Regular medical check-ups are conducted biannually for employees and annually for managerial staff, with additional quarterly monitoring for those engaged in hazardous processes. Health awareness remains a key focus area, with programs covering heart health, blood pressure, and blood sugar management. Our occupational health centre supports preventive care through regular medical camps, while ambulance services remain readily available across manufacturing units. Employee welfare is further strengthened through a cooperative society that provides financial assistance for housing, education, and personal needs. Subsidized, canteens ensure access to safe and nutritious meals. We also promote awareness of lifestyle-related conditions such as hypertension and encourage healthy practices, including yoga, regular exercise, and balanced nutrition.

CERTIFICATIONS

The Company's sites hold certifications under several internationally recognized management systems, reflecting its commitment to quality, environmental responsibility, occupational health and safety, and information security. These include:

- ISO 9001:2015 – Quality Management
- ISO 14001:2015 – Environmental Management
- ISO 45001:2018 – Occupational Health and Safety
- ISO/IEC 27001:2022 – Information Security Management System (ISMS)

RESEARCH & DEVELOPMENT AND QUALITY CONTROL

The Research & Development (R&D) function continues to play a pivotal role in driving innovation, technological advancement, and operational excellence within the Company. During the year under review, R&D efforts were focused on the development

of in-house technologies and processes for new products, aligned with emerging market trends and specific customer requirements. The Company has a healthy pipeline of around 25 products under working at various stages of R&D, sample approvals, piloting reflecting its strong capability to translate innovation into sustainable business outcomes. In addition to new product development, significant emphasis was placed on process optimization, including improving reaction efficiencies, enhancing yields, and reducing cycle times. Advanced work in reaction chemistry, particularly under cryogenic and high-pressure conditions, has further strengthened the Company's capabilities to manufacture high-value and complex molecules. These processes are being evaluated for scalability and future commercial implementation. R&D initiatives also focused on improving product quality through better impurity control, advanced purification techniques, and enhanced process understanding. Parallel efforts were made to reduce environmental impact by optimizing resource utilization and lowering effluent generation, in line with evolving regulatory and sustainability requirements. The Company has also strengthened its intellectual property portfolio through the filing of patents for novel processes and chemistries. The Company continues to invest in strengthening its R&D infrastructure, including modern laboratory facilities, advanced analytical instrumentation, and skilled technical manpower, thereby enhancing its ability to undertake complex synthesis and respond effectively to dynamic market needs.

Quality Control (QC) remains an integral pillar of the Company's commitment to operational excellence and customer satisfaction. The Company follows stringent quality assurance protocols across all stages of manufacturing, from raw material inspection to final product dispatch. Enhanced process controls and rigorous testing mechanisms ensure that all products consistently meet or exceed customer specifications as well as applicable regulatory and industry standards.

The continuous integration of advanced quality systems and process improvements has resulted in improved batch consistency, reduced rejection rates, and enhanced reliability of products. This robust quality framework reinforces the Company's reputation for delivering high-quality, compliant, and dependable products across domestic and international markets.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a Vigil Mechanism / Whistle Blower Policy in compliance with the provisions of the Act and SEBI Listing Regulations, to provide a mechanism for Directors, employees and stakeholders to report genuine concerns. The mechanism provides for adequate safeguards against victimization and ensures direct access to the Chairman of the Audit Committee in appropriate cases.

The details of the Policy are provided in the Corporate Governance Report forming part of this Annual Report. The Policy is also available on the Company's website <https://www.punjabchemicals.com/wp-content/uploads/2025/11/Whistle-Blower-Policy-PCCPL.pdf>. During the financial year, the Company did not receive any complaint under the Vigil Mechanism / Whistle Blower Policy.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Your Company has in place adequate Internal Financial Controls with reference to financial statements which are commensurate with the nature of its business, the size and complexity of its operations. During the year, such controls were tested, and no reportable material weaknesses in the design or operation were observed. Further details regarding the internal control systems are outlined in the Management Discussion & Analysis section, which forms an integral part of this Annual Report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

All Related Party Transactions entered into during the year under review were prior approved by the Audit Committee and were on arm's length basis and in the ordinary course of business. There were no materially significant Related Party Transactions by your Company with the Promoters, Directors, and Key Managerial Personnel which may have a potential conflict with the interests of your Company at large. As such, the disclosure of related party transactions in Form AOC-2 is not applicable.

Your Company has in place a Related Party Transactions Policy, which is available on your Company's website at <https://www.punjabchemicals.com/wp-content/uploads/2026/03/Related-Party-Policy.pdf>. In accordance with the amendment to the SEBI Listing Regulations, the Board of Directors, at its meeting held on March 25, 2026, has amended the RPT Policy of the Company effective to ensure conformity with the amendments.

Prior omnibus approval from the Audit Committee is obtained for repetitive related party transactions. Transactions executed under this omnibus approval are reviewed quarterly by the Audit Committee. Additionally the shareholders' approval has been duly obtained, wherever applicable, for all related party transactions.

Comprehensive disclosures regarding related party transactions, in accordance with Ind AS-24, including the names of related parties and the specifics of transactions with them, are provided under the Notes to the Financial Statements. Disclosures on related party transactions are also submitted to the stock exchanges on a half-yearly basis.

INSURANCE

The Company confirms that all of its assets, properties, and operational activities are adequately insured in accordance with applicable laws, regulatory requirements, and prevailing industry practices. Furthermore, the Company has obtained Directors and Officers Liability Insurance to provide appropriate coverage and protection for its directors and officers against liabilities arising from the performance of their official duties.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

No significant or material orders have been passed by the Regulators, Courts or Tribunals that impact the going concern status and future operations of the Company.

AUDITORS' REPORTS AND AUDITORS

a. Statutory Auditors

M/s B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022), were appointed as the Statutory Auditors of the Company for a period of five (5) years, commencing from the conclusion of the 46th Annual General Meeting ("AGM") held on August 10, 2022, until the conclusion of the 51st AGM, to be convened in the year 2027.

Pursuant to the Companies (Amendment) Act, 2017, notified on May 7, 2018, the requirement for annual ratification of the auditors' appointment by the shareholders at each AGM has been dispensed with.

The Statutory Auditors have confirmed their eligibility and submitted a certificate affirming that they are not disqualified for holding the office of the Statutory Auditors. The Report given by the Statutory Auditors on the Financial Statements of your Company forms part of the Annual Report.

The Statutory Auditors' Report for the financial year ended March 31, 2026, does not contain any qualification, reservation, or adverse remark. Accordingly, no further explanation or comment by the Board is required. The Auditors' Report forms part of the financial statements annexed to this Annual Report.

b. Secretarial Auditors

In terms of the amended provisions of Regulation 24A of the SEBI Listing Regulations, the Board of Directors, based on the recommendation of the Audit Committee, appointed M/s P.S. Dua & Associates, Company Secretaries (CP No. 3934), as the Secretarial Auditors of the Company for a term of 5 (five) consecutive years, commencing on April 1, 2025, until March 31, 2030. The said appointment was approved by the members at the 49th Annual General Meeting of the Company held on July 29, 2025.

The Secretarial Audit Report for the financial year under review is annexed to this Report. The Report does not contain any qualifications, reservations, or adverse remarks. The comments made by the Secretarial Auditors are self-explanatory.

Pursuant to Regulation 24A of the SEBI Listing Regulations, the Company has undertaken a Secretarial Compliance Audit for the financial year 2025-26. The audit was conducted by a qualified Practicing Company Secretary to verify compliance with the applicable provisions of SEBI Regulations, circulars, and guidelines issued thereunder. The Annual Secretarial Compliance Report, in the prescribed format, has been duly filed with the stock exchanges within the stipulated timeframe.

c. Maintenance of Cost Records

Pursuant to the provisions of Section 148 of the Act read with Clause (ix) of Rule 8(5) of the Companies (Accounts) Rules, 2014, adequate cost accounts and records are made and maintained by your Company as specified by

the Central Government. The Cost Audit Report for the year ended March 31, 2025, was filed with the Central Government within the prescribed time and the Cost Audit Report for the year March 31, 2026, will be filed with the Central Government within the stipulated time period.

d. Cost Auditors

Pursuant to Section 148(3) of the Act, your Directors in its meeting held on May 1, 2026, and on the recommendation of the Audit Committee, have appointed M/s Khushwinder Kumar & Co., Cost Accountants (Firm Registration No. 100123) as the Cost Auditors to audit the cost accounts maintained by your Company for the financial year ending March 31, 2027. The firm has submitted a certificate confirming their eligibility for the said re-appointment.

The Board, on the recommendation of the Audit Committee, has approved the remuneration payable to the Cost Auditors, subject to ratification by the members at the ensuing Annual General Meeting (AGM). Accordingly, the resolution for approval of their remuneration forms part of the Notice of the 50th AGM. In the opinion of the Directors, considering the scope of the audit, the proposed remuneration payable to the Cost Auditors is reasonable, fair and commensurate with the nature and extent of work to be carried out by them.

DIRECTORS AND KEY MANAGERIAL PERSONNELS

As of the date of this Report, the Board consists of ten (10) Directors: one (1) Executive Director (Managing Director), five (5) Non-Executive Non-Independent Directors, and four (4) Non-Executive Independent Directors, including two (2) Independent Women Directors. The Chairperson of the Board is a Non-Executive Director. The Managing Director also serves as a Promoter Director. In accordance with the Act, five (5) Non-Executive Directors are liable to retire by rotation at the Annual General Meetings. All Directors are within the prescribed limits of Directorships and Committee positions under the SEBI Listing Regulations and the Companies Act, 2013. The composition of the Board is periodically reviewed to ensure it remains aligned with the strategic needs of the Company and regulatory expectations.

a. Changes in Directorate

During the year under review, Mr. Sheo Prasad Singh (DIN: 06493455) resigned as an Independent Director of the Company with effect from April 30, 2025, citing preoccupation and personal commitments. The Company has received a confirmation from him that there were no other material reasons for his resignation. The Board places on record its sincere appreciation for his valuable guidance and contributions during his tenure as an Independent Director of the Company.

Mr. Kapil Kumar Mehan (DIN: 01215092) and Mr. Suresh Arora (DIN: 10641466) were appointed as Additional Independent Directors of the Company with effect from April 30, 2025, for a term of five consecutive years, and were subsequently regularized as Independent Directors

of the Company at the 49th Annual General Meeting held on July 29, 2025.

b. Retirement by Rotation

Pursuant to the provisions of Section 152 of the Act read with the Rules framed thereunder and the Articles of Association of the Company, Mr. Mukesh Dahyabhai Patel (DIN: 00009605) and Mr. Shivshankar Shripal Tiwari (DIN: 00019058), Non-Executive and Non-Independent Directors, are liable to retire by rotation at the forthcoming 50th Annual General Meeting (AGM) and being eligible have offered their candidatures for reappointment.

Brief resume, nature of expertise, disclosure of relationship between Directors inter-se, details of directorships and committee membership held in other companies of the Directors proposed to be appointed / re-appointed, along with their shareholding in the Company and other details as stipulated under Secretarial Standard - 2 on General Meetings and Regulation 36 of the SEBI Listing Regulations, is appended as an Annexure to the Notice of the 50th AGM.

Further, pursuant to Regulation 17(1A) of the SEBI Listing Regulations, as amended, and applicable provisions of the Act and based on the recommendation of the Nomination and Remuneration Committee and the Board, the Company is seeking approval of the members at the forthcoming 50th Annual General Meeting (AGM) for continuation of Mr. Mukesh Dahyabhai Patel (DIN: 00009605) as a Non-Executive Non-Independent Director beyond the age of 75 years, up to the expiry of his term, liable to retire by rotation.

c. Statement of declaration given by the Independent Directors

As on the date of this report, Mrs. Aruna Rajendra Bhinge, Chairperson of the Audit Committee and the Nomination and Remuneration Committee, along with Mrs. Tara Subramaniam, Mr. Kapil Kumar Mehan, and Mr. Suresh Arora, are the Independent Directors of your Company.

The Company has received declarations from all its Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and the applicable provisions of the SEBI Listing Regulations. Furthermore, all Independent Directors have duly registered themselves with the Independent Directors' Databank maintained by the Indian Institute of Corporate Affairs (IICA). In the opinion of the Board, all Independent Directors of the Company possess the requisite qualifications, integrity, expertise, and experience, including the necessary competencies, to effectively discharge their responsibilities.

d. Relationship / Transaction with Company

The Directors of the Company had no pecuniary relationship or transactions with the Company, except as disclosed in Note No. 43 of the Standalone and Consolidated Financial Statements.

Details and brief resumes of the Directors seeking appointment or reappointment, as required under the

prevailing regulations and rules, are provided in the Notice convening the 50th Annual General Meeting, which forms part of this Annual Report. Further details regarding all Directors are included in the Corporate Governance Report, which is annexed to this Report.

e. Board Diversity

The Company recognizes and values the critical role that board diversity plays in driving sustainable success. We believe that a truly diverse board- encompassing a wide range of perspectives, experiences, and backgrounds- enhances decision- making and fosters innovation.

Our approach to diversity includes, but is not limited to, considerations of professional skills and industry experience, cultural and geographical backgrounds, age, ethnicity, race, and gender. By leveraging these diverse attributes, we aim to strengthen the board's collective capabilities and maintain our competitive edge in a dynamic business environment. Further details on our approach to board diversity are outlined in the Corporate Governance Report, which forms part of this Annual Report.

f. Number of meetings of the Board of Directors

During the financial year 2025-26, the Board of Directors convened five meetings, all held within the prescribed time intervals in accordance with the provisions of the Act. The scheduling of these meetings was carried out in advance, in consultation with the Directors, to ensure their effective participation. Detailed information regarding the dates and attendance of these meetings is provided in the Corporate Governance Report, which forms an integral part of this Annual Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed by the Act and the SEBI Listing Regulations.

g. Performance Evaluation of the Board /Committees / Directors

During the year under review, the performance evaluation of the Board, Committees and Directors was conducted based on the criteria, framework and questionnaires approved by the Nomination and Remuneration Committee and the Board. The details of the performance evaluation exercise conducted by your Company are set out in the Report on Corporate Governance. The Chairman held individual meetings with each Executive /Non-Executive Directors as a part of self-appraisal and peer-group evaluation, the engagement and impact of each individual Director was reviewed.

Further, to comply with Regulation 25(4) of the SEBI Listing Regulations, Independent Directors also evaluated the performance of Non-Independent Directors, Chairman and Board as a whole at a separate meeting of Independent Directors.

h. Nomination and Remuneration Policy & Remuneration of Directors, Key Managerial Personnel and Senior Management Personnel

Your Company has in place a Nomination and Remuneration Policy, formulated in accordance with Section 178 of the Act and the SEBI Listing Regulations and same is available on Company's website at www.punjabchemicals.com/wp-content/uploads/2018/07/Nomination-and-Remuneration-Policy.pdf. The Policy provides guidance on selection and nomination of Directors to the Board of your Company, appointment of the Senior Management Personnel, and captures your Company's Leadership Framework for its employees. It explains the principles of the overall remuneration payable to the Executive Directors, Key Managerial Personnel, Senior Management Personnel, and other employees of your Company. The remuneration paid to the Executive Directors, Key Managerial Personnel, and Senior Management Personnel is in accordance with the said Policy.

i. Details of Familiarisation Programme:

The details of the familiarization programs provided to the Directors of the Company are outlined in the Report on Corporate Governance and can be accessed on the Company's website at the following link: <https://www.punjabchemicals.com/wp-content/uploads/2026/03/Familiarisation-Programme-for-Independent-Directors-FY-2025-26.pdf>.

j. Committees of the Board

In accordance with the provisions of the Act and the SEBI Listing Regulations, the Board of Directors has duly constituted the following committees to ensure effective governance and oversight:

- **Audit Committee**

Details pertaining to composition and constitution of the Audit Committee are included in the Report on Corporate Governance. During the year under review, all the recommendations made by the Audit Committee were accepted by the Board.

- **Stakeholders Relationship Committee**

Details pertaining to composition of the Stakeholders Relationship Committee are included in the Report on Corporate Governance. During the year under review, all the recommendations made by the Stakeholders Relationship Committee were accepted by the Board.

- **Nomination and Remuneration Committee**

Details pertaining to composition of the NRC are included in the Report on Corporate Governance. During the year under review, all the recommendations made by the NRC were accepted by the Board.

- **Corporate Social Responsibility (CSR) Committee**

The Board has constituted a Corporate Social Responsibility (CSR) Committee to oversee the implementation of the Company's CSR activities and has also established a CSR policy, which is accessible on the Company's website at [https://www.punjabchemicals.com/wp-content/](https://www.punjabchemicals.com/wp-content/uploads/2023/03/CSR-Policy.pdf)

[uploads/2023/03/CSR-Policy.pdf](https://www.punjabchemicals.com/wp-content/uploads/2023/03/CSR-Policy.pdf). During the year under review, the Board accepted all recommendations made by the CSR Committee.

The Chief Financial Officer has certified to the Board that the funds allocated for CSR activities were utilized exclusively for the intended purposes and in accordance with the approvals of the Board. The CSR policy reflects the Company's approach to social responsibility, focusing on areas where it can make the most meaningful impact. Details pertaining to the composition of the CSR Committee, the CSR policy, and the initiatives and activities undertaken during the year are provided in the Annual Report on CSR activities, which forms part of this Report.

- **Risk Management Committee**

Your Company has constituted a Risk Management Committee, the details of which are disclosed in the Report on Corporate Governance. In line with the governance process outlined in the Risk Management Policy, the Committee regularly reviews risk identification, assessment, and mitigation procedures, and provides periodic updates to the Audit Committee and the Board. During the year under review, the Board accepted all recommendations made by the Risk Management Committee. The Company has also established a risk management mechanism and formulated a Risk Management Policy, which is available on the Company's website <https://www.punjabchemicals.com/wp-content/uploads/2018/07/Risk-Management.pdf>. This policy provides for the creation of a risk register, identification of key risks, and formulation of mitigation plans. The principal risks affecting the Company are discussed in the Risk section of the Management Discussion and Analysis Report, forming part of this Report.

k. Key Managerial Personnel ('KMP')

During the year under review, pursuant to the recommendations of the NRC and Audit Committee, the Board has appointed Mr. Devender Gupta as the Chief Financial Officer (CFO) and Key Managerial Personnel (KMP) of the Company with effect from December 16, 2025, subsequent to the resignation of Mr. Vikash Khanna from the position of CFO, effective September 15, 2025.

As on March 31, 2026, your Company has the following Key Managerial Personnel as per Section 2(51) of the Act:

- Mr. Shalil Shashikumar Shroff – Managing Director
- Mr. Vinod Kumar Gupta – Chief Executive Officer
- Mr. Devender Gupta – Chief Financial Officer
- Ms. Rishu Chatley – Company Secretary and Compliance Officer

EMPLOYEES AND INDUSTRIAL RELATIONS

The Board of Directors and the Management express their sincere gratitude to all employees for their unwavering commitment,

competence, and dedication to the Company's operations. The relationship between the management and employees continues to remain transparent, positive, and harmonious.

The Company places a strong emphasis on employee welfare and continues to implement various initiatives, including preventive health check-ups and medical facilities within the factory premises. These welfare schemes are well-utilized across all employee categories. Additionally, sports events are regularly organized to promote a healthy work environment and to foster a spirit of teamwork and sportsmanship. The Board places on record its deep appreciation for the sincere efforts, loyalty, and dedication demonstrated by all employees. The management took proactive measures to safeguard employee well-being and kept them informed and protected throughout the crisis.

PARTICULARS OF EMPLOYEES

The disclosure in terms of the provisions of Section 197(12) of the Act read with Rules 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and the name and details of employees in terms of remuneration drawn and every persons employed throughout the year, who were in receipt of remuneration in terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other details of the concerned employees forms part of this Report.

PREVENTION OF SEXUAL HARASSMENT (POSH) OF WOMEN AT THE WORKPLACE

The Company adopts a zero-tolerance approach towards sexual harassment in the workplace. In line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"), the Company has implemented a comprehensive Prevention of Sexual Harassment (POSH) Policy. The Policy is available on the Company's website at: <https://www.punjabchemicals.com/wp-content/uploads/2025/02/POSH-Policy.pdf>. To effectively prevent and address instances of sexual harassment, the Company has constituted an Internal Complaints Committee (ICC) at its respective locations, in accordance with the provisions of the POSH Act. The ICC is responsible for receiving, investigating, and resolving complaints in a timely and confidential manner. The Committee is chaired by a senior woman employee and includes external members with relevant expertise. Further, more than 50% of the members of the ICC are women, ensuring diversity, impartiality, and a gender-sensitive approach in handling complaints.

During the year under review, the Company did not receive any complaints alleging sexual harassment. As on March 31, 2026, no complaints related to sexual harassment were pending for disposal.

A summary of complaints received and disposed of during the financial year ended March 31, 2026, in accordance with the POSH Act and the Rules framed thereunder, is provided below:

Particulars	Numbers
Number of complaint(s) of Sexual Harassment received during the year	Nil
Number of complaint(s) disposed of during the year	Nil
Number of cases pending for more than 90 days (stipulated timeline under POSH)	Nil
Number of cases pending as on March 31, 2026	Nil

The Company continues to promote awareness in this area to ensure a safe and respectful workplace for all employees. During the year, the Company conducted various sensitization and awareness initiatives, including induction sessions for new joiners and e-learning modules for employees, trainees, and associates. In addition, periodic email communications, standees, and posters were used to reinforce awareness and encourage employees to maintain professional conduct at all times.

PROHIBITION OF INSIDER TRADING

In compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information to ensure prohibition of Insider Trading in the Organization. The said Code is available on Company's website at <https://www.punjabchemicals.com/code-of-conduct/>. The 'Trading Window' is closed when the Compliance Officer determines that a Designated Person or class of Designated Persons can reasonably be expected to have possession of Unpublished Price Sensitive Information. The Company Secretary of the Company has been designated as Compliance Officer to administer the Code of Conduct and other requirements under SEBI (Prohibition of Insider Trading) Regulations, 2015.

MATERNITY BENEFITS ACT, 1961

Your Company is in compliance with the provisions of the Maternity Benefits Act, 1961 and the Rules made there under for the year ended March 31, 2026.

REGULATORY DEVELOPMENTS

On November 21, 2025, the Government of India notified the four Labour Codes, namely the Code on Wages, 2019; the Industrial Relations Code, 2020; the Code on Social Security, 2020; and the Occupational Safety, Health and Working Conditions Code, 2020, thereby consolidating 29 existing labour laws. The Ministry of Labour & Employment has also issued draft Central Rules and related FAQs to facilitate assessment of the financial implications arising from these regulatory changes. In view of the same, the Company has undertaken a restructuring of employee compensation with effect from April 1, 2026, and has evaluated the financial impact in accordance with the provisions of the Labour Codes, draft rules, FAQs, and legal opinion obtained. Considering the materiality and the regulatory-driven, non-

recurring nature of the impact, the same has been appropriately recognised during the year ended March 31, 2026. The Company continues to monitor the finalisation of Central and State Rules and further governmental clarifications, and will give appropriate accounting effect to such developments, as may be required. The Company is also aligning its policies, processes, and systems with the requirements of the notified Labour Codes and is assessing and implementing necessary changes in relation to employee benefits, compensation structures, and statutory compliances to ensure full and timely adherence.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Act, your Directors, to the best of their knowledge and belief and based on the information and explanations obtained by them, make the following statements and confirm that:

- in the preparation of the annexed annual accounts for the year ended March 31, 2026, the applicable accounting standards have been followed along with proper explanation/ disclosure relating to material departures, if any;
- the Directors have selected such accounting policies, 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 and loss of the Company for the year ended on that date;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts of the Company on a 'going concern' basis;
- the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CASH FLOW STATEMENT

As required under Regulation 34 of the SEBI Listing Regulations, a Cash Flow Statement forms part of the Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS

As required under Regulation 34(2) of the SEBI Listing Regulations, a Management Discussion and Analysis Report, presented in a separate section, forms part of this Report. The Management Discussion and Analysis Report provides a

detailed discussion on the state of the Company's business, including financial and operational developments, as well as other relevant information.

REPORT ON CORPORATE GOVERNANCE

In compliance with Regulation 34 read with Schedule V(C) of the SEBI Listing Regulations, a Report on Corporate Governance along with a Certificate of Compliance as required under Schedule V(E) of the Listing Regulations received from the Secretarial Auditors forms part of this Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In accordance with Regulation 34(2)(f) of the SEBI Listing Regulations, the "Business Responsibility & Sustainability Report" (BRSR) detailing the various initiatives taken by the Company on Environmental, Social and Governance front for the year ended March 31, 2026 forms part of this Report.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

Information on Conservation of Energy, Technology Absorption, and Foreign Exchange earnings and outgo pursuant to Section 134(3)(m) of the Act, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is forms part of this Report.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Board of Directors hereby affirms that the Company has adhered to the relevant provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI), with respect to the conduct of Board Meetings and General Meetings.

ANNUAL RETURN

In accordance with Section 92(3) of the Act, and Rule 12 of the Companies (Management and Administration) Rules, 2014, read with Section 134(3)(a) of the Act, the Annual Return in Form MGT-7 as of March 31, 2026, is available for viewing at the following link: <https://www.punjabchemicals.com/annual-reports/>.

LISTING OF EQUITY SHARES

The Equity Shares of the Company continue to be listed on National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE"). The requisite annual listing fees for the financial year 2025-26 and 2026-27 have been paid to these Exchanges well within the due dates.

EVENTS AFTER BALANCE SHEET DATE

There have been no material changes or commitments affecting the financial position of the Company that have occurred

between the end of the financial year to which the balance sheet pertains and the date of this Report.

OTHER DISCLOSURES

1. There has been no change in the nature of business of the Company during the financial year, in accordance with sub-rule 5(ii) of Rule 8 of the Companies (Accounts) Rules, 2014.
2. During the financial year 2025-26, no application was made, nor was any proceeding pending, under the Insolvency and Bankruptcy Code, 2016.
3. There has been no issue of Equity shares with differential rights as to dividend, voting or otherwise.
4. There has been no issue of Equity Shares (including Sweat Equity Shares) to employees of your Company, under any scheme.
5. Your Company has not resorted to any buy back of its Equity Shares during the year under review.
6. The Company did not enter into any one-time settlement with any bank or financial institution during the year under review.
7. Your Company has not made any provisions of money or has not provided any loan to its employees for purchase of shares of your Company or its Holding Company, pursuant to the provisions of Section 67 of the Act and the Rules framed thereunder.
8. During the year, neither the Statutory Auditors nor the Secretarial Auditor reported any instance of fraud committed against the Company by its officers or employees under Section 143(12) of the Act, that would require disclosure in the Board's Report.

STATE OF AFFAIRS OF THE COMPANY

The state of affairs of the Company is detailed in a separate section of the Management Discussion and Analysis Report, which forms an integral part of this Annual Report. This disclosure is in compliance with the requirements stipulated under the SEBI Listing Regulations.

ACKNOWLEDGEMENT

The Board of Directors records its sincere appreciation for the dedicated efforts, hard work, and commitment of all employees of the Company throughout the year. The Board also expresses its heartfelt gratitude to the financial institutions, banks, government authorities, customers, vendors, and shareholders for their continued support, cooperation, and trust during the year under review and look forward to their continuous support in future.

CAUTIONARY STATEMENT

Certain statements in the Board's Report and the Management Discussion and Analysis regarding the Company's objectives, expectations, or forecasts may be forward-looking as defined by applicable securities laws. Actual results may differ materially due to factors such as global and domestic market conditions, availability and cost of key materials, changes in government policies and tax laws, economic developments, and other factors relevant to the Company's operations.

For and on behalf of the Board of Directors

Mukesh Dahyabhai Patel

Chairman

DIN: 00009605

Place: Vadodara

Date: May 1, 2026

FORM AOC 1

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of the Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of Subsidiaries/Associate Companies /Joint Ventures

Part "A": Subsidiaries

(Amount ₹ in Lakh except for exchange rate and share data)

S. No.	Name of the subsidiary	SD Agchem (Europe) NV	
		31 March 2026	31 March 2025
1.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period		
2.	Reporting Currency	Euro	Euro
3.	Exchange rate (Closing)	109.37	92.43
4.	Share capital	45	7000
5.	Reserves & Surplus	(313)	(8975)
6.	Total Assets	1733	461
7.	Total Liabilities	2001	2435
8.	Investments	-	-
9.	Turnover including other income	7248	2179
10.	Profit/(Loss) before Taxation	261	(19)
11.	Tax expenses	(32)	71
12.	Profit/(Loss) after Taxation	293	(90)
13.	Proposed Dividend	-	-
14.	% of Shareholding	100	100
15.	Country	Belgium	Belgium

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:

S. No.	Name of Associates/Joint Ventures	
1.	Latest audited Balance Sheet Date	
2.	Shares of Associate/Joint Ventures held by the company on the year end	
	Number	
	Amount of Investment in Associates/Joint Venture	
	Extend of Holding %	
3.	Description of how there is significant influence	Not Applicable
4.	Reason why the associate/joint venture is not consolidated	
5.	Net worth attributable to Shareholding as per latest audited Balance Sheet	
6.	Profit / Loss for the year	
i)	Considered in Consolidation	
ii)	Not Considered in Consolidation	

Mukesh Dahyabhai Patel

Chairman

DIN: 00009605

Place: Vadodara

Shalil Shashikumar Shroff

Managing Director

DIN: 00015621

Place: Mumbai

Vinod Kumar Gupta

Chief Executive Officer

Place: Derabassi

Devender Gupta

Chief Financial Officer

Place: Derabassi

Rishu Chatley

Company Secretary & Compliance Officer

ACS: 19932

Place: Derabassi

Date: May 1, 2026

Annual Report on Corporate Social Responsibility (CSR)

Activities for the Financial Year 2025-26

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended]

1. A brief outline of the CSR Policy of the Company

The Company is firmly committed to its Corporate Social Responsibility (CSR) and actively undertakes initiatives aimed at fostering sustainable, inclusive, and equitable development of society, particularly for underprivileged communities. Our CSR activities are aligned with the social, environmental and economic needs identified in our CSR Policy and are carried out directly by the Company in accordance with Section 135 and Schedule VII of the Companies Act, 2013. The Company places a strong emphasis on addressing local needs around its operational locations and corporate office, while also extending support towards national priorities in times of emergencies. By focusing on key areas such as education, healthcare (including preventive healthcare), rural development, environmental sustainability, promotion of art, culture and crafts, women empowerment and eradication of hunger, the Company strives to create a meaningful and lasting positive impact where it operates.

2. The Composition of CSR Committee

S. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Mukesh Dahyabhai Patel	Chairman of the Committee, Non-Executive Non-Independent Director	1	1
2.	Mr. Shalil Shashikumar Shroff	Member, Managing Director	1	1
3.	Capt. Surjit Singh Chopra (Retd.)	Member, Non-Executive Non-Independent Director	1	1
4.	Mrs. Aruna Rajendra Bhinge	Member, Non-Executive Independent Director	1	1

3. 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

The Company's Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are available on the Company's website at <https://www.punjabchemicals.com/corporate-social-responsibility/>.

4. 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: ₹ 7,045 Lakh
 (b) Two percent of average net profit of the Company as per sub-section (5) of Section 135: ₹ 141 Lakh
 (c) Surplus arising out of the CSR projects or programs or activities of the previous financial years: Nil
 (d) Amount required to be set-off for the financial year, if any: Nil
 (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹ 141 Lakh
6. (a) Amount spent on CSR projects (both ongoing project and other than ongoing project): ₹ 141 Lakh
 (b) Amount spent in administrative overheads: Nil
 (c) Amount spent on impact assessment, if applicable: Not Applicable
 (d) Total amount spent for the financial year [(a)+(b)+(c)]: ₹ 141 Lakh

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

Total Amount spent for the Financial year (₹ in Lakh)	Amount Unspent (in ₹)				
	Total amount transferred to Unspent CSR Account as per sub section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of Transfer	Name of Fund	Amount	Date of Transfer
₹ 141 Lakh					Not Applicable

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

S. No.	Particulars	Amount (₹ in Lakh)
(i)	Two percent of average net profit of the Company as per sub-section (5) of Section 135	141
(ii)	Total amount spent for the financial year	141
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

7. Details of Unspent CSR amount for the preceding three financial years

S. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub section (6) of section 135 (in ₹)	Balance amount in unspent CSR account under subsection (6) of Section 135 (1) (in ₹)	Amount spent in the financial year (in ₹)	Amount transferred to a fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency
					Amount (In ₹)	Date of Transfer		
								Not Applicable

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

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

Mukesh Dahyabhai Patel
Chairman of CSR Committee
DIN: 00009605
Place: Vadodara

Shalil Shashikumar Shroff
Managing Director
DIN: 00015621
Place: Mumbai

Vinod Kumar Gupta
Chief Executive Officer
Place: Derabassi

Date: May 1, 2026

Business Responsibility & Sustainability Report (BRSR)

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	:	L24231PB1975PLC047063
2.	Name of the Listed Entity	:	Punjab Chemicals and Crop Protection Limited
3.	Year of incorporation	:	1975
4.	Registered office address	:	Milestone 18, Ambala Kalka Road, Village & PO Bhankharpur, Derabassi, District SAS Nagar, Mohali (Punjab)-140201
5.	Corporate office address	:	Plot No. 645-646, 5th Floor, Oberoi Chambers II, New Link Road, Andheri (West), Mumbai – 400 053
6.	E-mail	:	info@punjabchemicals.com
7.	Telephone	:	01762- 280086, 522250
8.	Website	:	www.punjabchemicals.com
9.	Financial year for which reporting is being done	:	April 1, 2025 to March 31, 2026
10.	Name of the Stock Exchange(s) where shares are listed	:	BSE Limited and National Stock Exchange of India Limited
11.	Paid-up Capital (in ₹)	:	12,26,21,850
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	:	Name: Mr. Vinod Kumar Gupta, Chief Executive Officer (CEO) Address: Milestone 18, Ambala Kalka Road, Village & PO Bhankharpur, Derabassi, District SAS Nagar, Mohali (Punjab)-140201 Email: info@punjabchemicals.com Telephone: 01762- 280086, 522250
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	:	The disclosures made in the report are on a standalone basis
14.	Name of assurance provider	:	Not Applicable
15.	Type of assurance obtained	:	Not Applicable

II. Products/Services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Chemical and chemical products, pharmaceuticals, medicinal chemical and botanical products.	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Performance Chemicals	20119,20211	100%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	3	1	4
International	0	0	0

19. Markets served by the entity:
a. Number of locations

Locations	Number
National (No. of States)	22
International (No. of Countries)	23

b. What is the contribution of exports as a percentage of the total turnover of the entity?

43%

c. A brief on types of customers

The Company serves a diverse customer base within the Performance Chemicals segment, including Agrochemical, Specialty Chemical & Pharmaceutical, and Industrial Chemicals.

IV. Employees
20. Details as at the end of Financial Year:
a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Employees						
1.	Permanent (D)	427	383	89.70%	44	10.30%
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total Employees (D + E)	427	383	89.70%	44	10.30%
Workers						
4.	Permanent (F)	837	836	99.88%	1	0.12%
5.	Other than Permanent (G)	788	787	99.87%	1	0.13%
6.	Total workers (F + G)	1625	1623	99.88%	2	0.12%

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Differently Abled Employees						
1.	Permanent (D)	0	0	0.00%	0	0.00%
2.	Other than Permanent (E)	0	0	0.00%	0	0.00%
3.	Total differently abled employees (D + E)	0	0	0.00%	0	0.00%
Differently Abled Workers						
4.	Permanent (F)	0	0	0.00%	0	0.00%
5.	Other than permanent (G)	0	0	0.00%	0	0.00%
6.	Total differently abled workers (F + G)	0	0	0.00%	0	0.00%

21. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	2	20.00%
Key Management Personnel	3	1	33.33%

*Managing Directors is included in the Board of Directors. Key Management Personnel comprise of the Chief Executive Officer, Chief Financial Officer and Company Secretary.

22. Turnover rate for permanent employees and workers:

	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	8.98%	4.65%	8.50%	8.36%	6.82%	8.45%	8.86%	1.90%	9.70%
Permanent Workers	1.65%	0.00%	1.65%	3.16%	0.00%	3.16%	6.00%	0.00%	6.00%

V. Holding, Subsidiary and Associate Companies (including joint ventures)**23. (a) Names of holding / subsidiary / associate companies / joint ventures:**

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding / Subsidiary / Associate / Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	SD Agchem (Europe) NV, Belgium	Subsidiary	100%	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: **Yes**

(ii) Turnover (in ₹): **1025 crore**

(iii) Net worth (in ₹): **443 crore**

VII. Transparency and Disclosures Compliances**25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2025-26			FY 2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes , https://www.punjabchemicals.com/wp-content/uploads/2023/03/CSR-Policy.pdf	0	0	-	0	0	-
Investors (Other than Shareholder)	Yes , https://www.punjabchemicals.com/contact-us/	0	0	-	0	0	-
Shareholders	Yes , the Company has established mechanisms to receive and redress shareholders complaints. Grievances may be submitted directly to the Company through the investor contact portal at https://www.punjabchemicals.com/investor-relations/ or to the Registrar and Share Transfer Agents through rta@alankit.com . Additionally, shareholders are encouraged to register and track their service requests through the Investor Support Hub https://alankitassignments.com/investor-charter/	2	0	All addressed and closed	8	1	All addressed and closed

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2025-26			FY 2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees and Workers	Yes, https://www.punjabchemicals.com/wp-content/uploads/2025/02/POSH-Policy.pdf https://www.punjabchemicals.com/code-of-conduct/ https://www.punjabchemicals.com/wp-content/uploads/2025/11/Whistle-Blower-Policy-PCCPL.pdf	0	0	-	0	0	-
Customers	Yes, https://www.punjabchemicals.com/code-of-conduct/	0	0	-	0	0	-
Value Chain Partners	Yes, https://www.punjabchemicals.com/wp-content/uploads/2020/07/Business-Responsibility-Policy.pdf	0	0	-	0	0	-

26. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Health and Safety	Risk	Workplace accidents, hazards, and injuries can severely impact employee morale, productivity, financial performance, and asset integrity, underscoring the need for continuous efforts to ensure a safe and healthy work environment.	The Company operates an ISO 45001–certified Occupational Health and Safety (OH&S) management system, ensuring a safe and healthy workplace while striving to achieve zero accidents and incidents in alignment with Environmental, Health, and Safety (EHS) standards. This commitment is reinforced through regular training programs, enhanced safety awareness initiatives, and improved visual communication across facilities. The Company places strong emphasis on good housekeeping, preventive maintenance practices, and periodic audits to sustain a safe working environment. In addition, proactive measures are undertaken to prevent pollution at all stages of manufacturing operations. Safety risk mitigation plans are reviewed periodically by the Risk Management Committee and the Board to drive continuous improvement. Comprehensive on-site and off-site emergency response plans are also in place, supported by regular mock drills to strengthen employee preparedness and response capabilities.	Negative
2.	Environment and Sustainability	Risk	Environmental risks related to emissions, climate change, and the preservation of nature and biodiversity may adversely affect regulatory compliance, operational continuity, and long-term sustainability.	The company is ISO 14001 certified and has implemented comprehensive measures to address climate change, pollution, and emission control. An online Continuous Emissions Monitoring System, integrated with pollution control boards, ensures regulatory compliance. Key initiatives include water recycling through Zero Liquid Discharge, afforestation, and enhancement of green cover in surrounding communities. Further, emission control scrubbers, solvent loss prevention utilities, and closed-loop systems for raw materials, solvents, chemicals and bromine have been deployed to reduce environmental impact.	Negative

S. No.	Material issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3.	Energy efficiency	Opportunity	Implementing effective energy and waste management systems enhances resource efficiency and operational performance, driving cost optimization and supporting long-term business growth opportunities.	Not Applicable	Positive
4.	CSR	Opportunity	Developmental projects present an opportunity to generate positive social impact while strengthening community relations and enhancing the company's reputation.	Not Applicable	Positive
5.	Responsible Governance practices	Opportunity	Governing our business in a responsible way by considering ESG factors in our operational and strategic business decisions.	Not Applicable	Positive
6.	Customer Satisfaction	Opportunity	Customer satisfaction remains a major driver of organizational success, influencing both internal productivity and external relationships.	Not Applicable	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

- P1** Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable
- P2** Businesses should provide goods and services in a manner that is sustainable and safe
- P3** Businesses should respect and promote the well-being of all employees, including those in their value chains
- P4** Businesses should respect the interests of and be responsive towards all its stakeholders especially those who are disadvantaged, vulnerable and marginalized
- P5** Businesses should respect and promote human rights
- P6** Businesses should respect, protect and make efforts to restore the environment
- P7** Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
- P8** Businesses should promote inclusive growth and equitable development
- P9** Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	Policies are uploaded on the website of the Company at https://www.punjabchemicals.com/company-policies/								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fair-trade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001:2015 for Quality Management, ISO 14001:2015 for Environmental Management, ISO 45001:2018 for Occupational Health and Safety, FSSC 22000 for Food Safety Management, and ISO/IEC 27001:2022 for Information Security Management. These certifications demonstrate the company's commitment to quality, environmental stewardship, workplace safety, food safety, and information security.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any	The company is committed to creating long-term value for all stakeholders by integrating sustainability considerations into its business objectives. It continuously strives to minimize environmental impact through energy-efficient initiatives and sustainable operational practices aimed at reducing its overall carbon footprint. Strong emphasis is placed on the health and safety of employees, contractors, and surrounding communities. Comprehensive safety and risk control measures are implemented across operations to ensure a safe and healthy working environment. The company also remains focused on addressing climate change, controlling pollution and reducing greenhouse gas emissions as part of its environmental responsibility. Key recent initiatives include: • Installation and commissioning of bromine storage tanks with a closed-loop handling system to ensure safe, efficient, and environmentally responsible management. • Improvement in solvent recovery efficiency for key solvents, contributing to better resource utilization and reduced waste generation. • Revamping and modernization of legacy infrastructure to enhance operational safety, efficiency, and environmental performance. These initiatives reflect the company's ongoing commitment to responsible business practices and continuous improvement in sustainability performance.								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Company's performance against its defined commitments, goals and targets is regularly monitored and reviewed through structured governance mechanisms. Each ESG principle is assessed through periodic audits and evaluations conducted by dedicated teams under the supervision of Senior Management. These reviews ensure alignment with strategic objectives, applicable regulatory requirements and industry best practices. Where gaps or deviations are identified, root cause analyses are undertaken to determine underlying factors. Based on these findings, appropriate corrective and preventive actions are implemented to strengthen performance and ensure continuous improvement. This approach reinforces the Company's commitment to transparency, accountability, and sustained enhancement of its sustainability performance.								

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements.

Please refer to the Chairman's Message and ESG section in this Annual Report.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	The Managing Director and Chief Executive Officer, periodically appraises the Board of the progress made on the Company's ESG objectives.								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	Yes- The Company has a Board-level Risk Management Committee (RMC) which oversees risk management and is also responsible for reviewing and guiding matters related to sustainability, including Environmental, Social, and Governance (ESG) aspects. The Committee provides strategic oversight, monitors key risks and sustainability-related initiatives, and supports decision-making in alignment with the Company's overall business objectives.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action				Board of Directors						Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances				Board of Directors						Annually								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency. Yes

P1	P2	P3	P4	P5	P6	P7	P8	P9
During the year under review, the annual certification audits of the Company for ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 were conducted by Det Norske Veritas (DNV), while the ISO 27001:2022 certification audit was conducted by Intertek India Private Limited.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Not Applicable

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**PRINCIPLE****1**

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators**1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	5	During Board and Committee meetings, Directors are provided with regular updates and presentations on key matters relevant to the Company’s operations and governance. These include corporate strategy, business performance, market outlook, organizational structure, financial performance, risk management, human resources, research and development, information technology systems, health, safety and environmental matters, regulatory developments, and whistleblower mechanisms. The Board and its Committees also review updates on internal controls, compliance frameworks, and risk management practices to ensure effective oversight and alignment with the Company’s strategic objectives. In addition, Key Managerial Personnel (KMP) are provided with periodic training and awareness sessions on Prevention of Sexual Harassment (POSH) policies and emergency preparedness, enabling them to effectively support safe, compliant, and responsible workplace practices.	100%
Key Managerial Personnel	7		100%
Employees other than BoD and KMPs	424	Undertook structured compliance and ethics training covering Human Rights, Prevention of Sexual Harassment (POSH), Code of Conduct, Whistleblower Policy, Anti-Corruption guidelines, and Insider Trading regulations. The training enhanced awareness of ethical practices, regulatory compliance, and responsible professional conduct, reinforcing a culture of integrity, accountability, and respect in the workplace.	100%
Workers	669		80%

2. Details of fines/ penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors/ KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

	Monetary				Has an appeal been preferred? (Yes/No)
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (In ₹)	Brief of the Case	
Penalty/ Fine					
Settlement					
Compounding					
Fee					
Punishment					

Nil

NGRBC Principle	Non-Monetary			Has an appeal been preferred? (Yes/No)
	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case		
Imprisonment Punishment	Nil			

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The Company remains committed to conducting its business in full compliance with applicable laws and regulations, while upholding the highest standards of integrity, ethics, and transparency. The Anti-Bribery and Anti-Corruption Policy, forming an integral part of the Company's Code of Conduct, establishes a robust framework to prevent unethical practices and ensure adherence to established compliance standards. The Policy is applicable to all employees, including the Board of Directors and Senior Management, and extends to business partners such as suppliers, service providers, agents, and distributors. The Company follows a zero-tolerance approach towards bribery and corruption in any form and emphasizes strong internal controls, continuous monitoring, and appropriate corrective actions to mitigate risks and safeguard its reputation. In addition, the Company has established a Whistleblower Mechanism to enable employees and stakeholders to report concerns related to unethical behavior, fraud, or violations of the Code of Conduct, with adequate safeguards against retaliation. During the year under review, the Company continued to strengthen its compliance framework by reviewing and reinforcing key policies in line with evolving regulatory requirements and best practices.

The Anti-Bribery and Anti-Corruption Policy is available at <https://www.punjabchemicals.com/wp-content/uploads/2023/03/Anti-Bribery-and-Anti-Corruption-Policy.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Particulars	FY 2025-26	FY 2024-25
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

Particulars	FY 2025-26		FY 2024-25	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	-	Nil	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	-	Nil	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

- Not Applicable.

8. Number of days of accounts payables ((Accounts payable x365) / Cost of goods/services procured) in the following format:

Particulars	FY 2025-26	FY 2024-25
Number of days of accounts payable	102 Days	136 Days

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties alongwith loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2025-26	FY 2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	20%	25%
	b. Number of trading houses where purchases are made from	72	72
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	55%	54%
Concentration of Sales	a. Sales to dealers/ distributors as % of total sales	7%	3%
	b. Number of dealers/ distributors to whom sales are made	66	55
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers/ distributors	80%	68%
Share of RPTs in	a. Purchases (Purchases with related parties/ Total Purchases)	Nil	Nil
	b. Sales (Sales to related parties/ Total Sales)	6.79%	2.29%
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	99%	99%
	d. Investments (Investments in related parties/ Total Investments made)	96%	94%

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	Supplier Code of Conduct	100%

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes. The Company is committed to maintaining the highest standards of corporate governance, integrity, and ethical leadership. A comprehensive Code of Conduct for the Board of Directors provides a robust framework for identifying, preventing, and managing conflicts of interest. The Code clearly defines what constitutes a conflict of interest and prescribes appropriate disclosure, mitigation, and resolution mechanisms. Directors are required to proactively disclose any actual or potential conflicts of interest in relation to matters placed before the Board. In such cases, the concerned Directors recuse themselves from discussions and abstain from voting on the relevant agenda items, ensuring transparency and unbiased decision-making. The Company has also implemented a well-defined Related Party Transactions Policy, which ensures that all such transactions are conducted on an arm's-length basis and in compliance with applicable laws and regulations. The policy mandates appropriate approvals from the Audit Committee and the Board, wherever required, thereby strengthening oversight and accountability. During the year under review, the Company continued to review and reinforce its governance policies in line with evolving regulatory requirements and industry best practices, further enhancing its overall governance framework.

Additionally, Directors provide periodic and annual confirmations of compliance with the Code, supported by affirmations from Senior Management, reinforcing the Company's commitment to ethical conduct, transparency, and stakeholder trust. For further details, please refer to the Code of Business Conduct and Ethics for Directors and Senior Management, available at <https://www.punjabchemicals.com/code-of-conduct/>.

PRINCIPLE 2

Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators

- 1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2025-26	FY 2024-25	Details of improvements in environmental and social impacts
R&D	19%	27%	Improvement in Environmental impact parameters such as water, air, hazardous waste
Capex	40%	54%	To improve emission absorption system, health and safety environment for workers

- 2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes

- b. If yes, what percentage of inputs was sourced sustainably?**

around 70%

- 3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (Including Packaging) (b) E-Waste (c) Hazardous Waste and (d) Other Waste.**

The Company has implemented a comprehensive waste management framework across its operations to ensure the safe handling, segregation, recycling, and disposal of waste in compliance with applicable environmental laws and regulations, including guidelines issued by the Central Pollution Control Board (CPCB) and the Punjab Pollution Control Board (PPCB). Waste is segregated at source and managed through authorized recyclers and disposal agencies to ensure environmentally responsible practices.

- a. **Plastics (Including Packaging):** In compliance with the Plastic Waste Management Rules, the Company has established structured procedures for the collection, segregation, and channelization of plastic waste. Plastic waste generated during operations is routed to authorized recyclers in accordance with CPCB and PPCB guidelines, ensuring responsible recycling and disposal.
- b. **E-Waste Management:** The Company follows defined procedures for the handling, storage, and disposal of e-waste in line with the E-Waste (Management) Rules. E-waste is handed over to authorized recyclers and dismantlers approved by the CPCB/PPCB, ensuring safe and environmentally sound processing.
- c. **Hazardous Waste Management:** The Company adheres to stringent Standard Operating Procedures (SOPs) for handling, storage, transportation, and disposal of hazardous waste as per the Hazardous and Other Wastes (Management and Transboundary Movement) Rules. Disposal is carried out through authorized Treatment, Storage, and Disposal Facilities (TSDFs), approved by CPCB and PPCB. Wherever feasible, co-processing through authorized facilities is undertaken to ensure environmentally safe disposal.
- d. **Other Waste:** For other waste streams, including organic and canteen waste, the Company has implemented SOPs for segregation and disposal. Biodegradable waste is processed through vermicomposting (vermiculture), promoting waste-to-resource conversion and minimizing landfill impact. Recyclable non-hazardous waste such as paper, metal, and glass is channelized to authorized recyclers in compliance with CPCB and PPCB requirements.

- 4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes. The Company complies with applicable waste management regulations, including the Plastic Waste Management Rules, and is registered under the Extended Producer Responsibility (EPR) framework. It has implemented systems for the collection, recovery, and disposal of plastic waste, including multilayered packaging, through authorized agencies. All activities are carried out in accordance with guidelines prescribed by the Central Pollution Control Board (CPCB) and the Punjab Pollution Control Board (PPCB), ensuring environmentally responsible waste management.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) if yes, provide web-link
No					

2. If there are any significant social or environmental concerns and/ or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
Not Applicable		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2025-26	FY 2024-25
Benzene	90.21%	90.02%
Toluene	96.65%	95.80%
Denatured Spirit	91.52%	91.90%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2025-26			FY 2024-25		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	182MT	0	0.205MT	45MT	34MT	143.34MT
E-waste	0	0.62MT	0.200MT	0	0	0
Hazardous waste	0	0	2455.62MT	0	0	1246.35MT
Other waste	0	0	0	0	0	1000MT

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Nil	

PRINCIPLE 3

Businesses should respect and promote the well-being of all employees, including those in their value chain.

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/ A)	Number (C)	% (C/ A)	Number (D)	% (D/ A)	Number (E)	% (E/ A)	Number (F)	% (F/ A)
				Permanent employees							
Male	383	383	100.00%	383	100.00%	0	0.00	0	0.00%	0	0.00%
Female	44	44	100.00%	44	100.00%	44	100.00%	0	0.00%	0	0.00%
Total	427	427	100.00%	427	100.00%	44	10.30%	0	0.00%	0	0.00%
				Other than Permanent employees							
Male	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Female	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Total	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%

Note: The Company ensures health insurance coverage for all employees through the Company's group insurance policy, applicable ESIC coverage as per eligibility criteria, and/or individual health insurance policies maintained by employees, as applicable, ensuring that no employee remains uninsured.

b. Details of measures for the well-being of workers:

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/ A)	Number (C)	% (C/ A)	Number (D)	% (D/ A)	Number (E)	% (E/ A)	Number (F)	% (F/ A)
	Permanent workers										
Male	836	836	100.00%	836	100.00%	0	0.00%	0	0.00%	0	0.00%
Female	1	1	100.00%	1	100.00%	1	100.00%	0	0.00%	0	0.00%
Total	837	837	100.00%	837	100.00%	1	0.12%	0	0.00%	0	0.00%
	Other than Permanent workers										
Male	787	787	100.00%	787	100.00%	0	0.00	0	0.00%	0	0.00%
Female	1	1	100.00%	1	100.00%	1	100.00%	0	0.00%	0	0.00%
Total	788	788	100.00%	788	100.00%	1	0.13%	0	0.00%	0	0.00%

Note: The Company ensures health insurance coverage for all employees through the Company's group insurance policy, applicable ESIC coverage as per eligibility criteria, and/or individual health insurance policies maintained by employees, as applicable, ensuring that no employee remains uninsured.

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

Particulars	FY 2025-26	FY 2024-25
Cost incurred on well- being measures as a % of total revenue of the company	0.64%	0.65%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2025-26			FY 2024-25		
	No. of employees covered as a % of total Employees	No. of workers covered as a % of total Workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total Employees	No. of workers covered as a % of total Workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100.00%	100.00%	Y	100.00%	100.00%	Y
Gratuity	100.00%	100.00%	Y	100.00%	100.00%	Y
ESI*	9.36%	40.97%	Y	11.00%	67.00%	Y
Others -please specify	Nil	Nil	Nil	Nil	Nil	Nil

*100% eligible employees are covered under ESI.

3. Accessibility of workplaces.

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes. The Company's premises and offices are designed to support accessibility for employees and workers with disabilities in alignment with the requirements of the Rights of Persons with Disabilities Act, 2016. The Company continues to strengthen workplace accessibility through periodic assessments and progressive enhancements to infrastructure to further improve inclusivity and ease of access.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. The Company is committed to fostering a diverse, equitable, and inclusive workplace and provides equal opportunities to all employees, including persons with disabilities. This commitment is embedded in the Company's Code of Conduct and DEI philosophy, which promotes fairness, respect, and non-discrimination across all levels of the organization. The Company's 'All In' initiative reflects its focus on building an inclusive culture that values diverse perspectives and experiences. This is further reinforced through awareness programs, bias-sensitization initiatives, and continuous efforts to strengthen inclusive workplace practices. weblink: <https://www.punjabchemicals.com/code-of-conduct/>.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	-	-	-	-
Female	100	100	-	-
Total	100	100	-	-

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Category	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes, The Company upholds the highest standards of ethical conduct through its Code of Business Conduct and Ethics, ensuring that all employees and stakeholders act with integrity, fairness, and accountability in all business dealings. The Company has implemented a comprehensive Prevention of Sexual Harassment (POSH) policy, which ensures a safe, respectful, and dignified workplace for all employees and strictly prohibits any form of harassment. Employees are encouraged to raise concerns and grievances through defined reporting mechanisms, with assurance that all matters will be addressed in a fair, transparent, and timely manner in accordance with applicable laws. The Company ensures a zero-tolerance approach towards harassment and promotes awareness through regular training and sensitization programs. In addition, the Company has established a Whistleblower Mechanism that enables employees to report unethical behavior, fraud, or violations of the Code of Conduct without fear of retaliation. This framework strengthens a culture of transparency, accountability, and trust across the organization. The Company is committed to fostering a culture of mutual respect, equality, and psychological safety, where employees are empowered to speak up and contribute to a positive and ethical work environment.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

The Company maintains a comprehensive grievance redressal policy and mechanism that ensures fair and timely resolution of concerns for all categories of employees across all its locations

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2025-26			FY 2024-25		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	427	0	0.00%	372	0	0.00%
- Male	383	0	0.00%	330	0	0.00%
- Female	44	0	0.00%	42	0	0.00%
Total Permanent Workers	837	811	96.89%	858	837	97.55%
- Male	836	811	97.01%	857	837	97.67%
- Female	1	0	0.00%	1	0	0.00%

8. Details of training given to employees and workers:

Category	FY 2025-26					FY 2024-25				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	383	224	58.49%	348	90.86%	330	180	54.55%	278	84.24%
Female	44	30	68.18%	38	86.36%	42	23	54.76%	35	83.33%
Total	427	254	59.48%	386	90.40%	372	203	54.57%	313	84.14%
Workers										
Male	836	678	81.10%	732	87.56%	857	601	70.13%	701	81.80%
Female	1	1	100.00%	1	100.00%	1	0	0.00%	0	0.00%
Total	837	679	81.12%	733	87.57%	858	601	70.05%	701	81.70%

9. Details of performance and career development reviews of employees and worker:

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	383	306	79.90%	330	330	100.00%
Female	44	38	86.36%	42	42	100.00%
Total	427	344	80.56	372	372	100.00%
Workers						
Male	836	828	99.04%	857	857	100.00%
Female	1	1	100.00%	1	1	100.00%
Total	837	829	99.04%	858	858	100.00%

Note: All the eligible employees and workers were included under the Performance Management System for performance and career development reviews.

10. Health and safety management system:
a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, the Company is fully committed to upholding the principles and requirements of ISO 45001 for Occupational Health and Safety Management Systems. This commitment extends to providing a safe, secure, and healthy working environment for all employees, contractors, subcontractors, visitors, and nearby communities across its manufacturing sites at Derabassi, Lalru, and Pune. The Company proactively implements robust safety management systems and preventive measures to eliminate hazards, prevent work-related injuries and illnesses, and mitigate occupational health and safety risks. Continuous improvement in safety performance is driven through structured risk assessments, regular training and awareness programs, safety audits, and employee engagement initiatives. The Company also ensures active involvement of stakeholders, including contractors and site personnel, in maintaining a strong safety culture. Its certifications under ISO 45001 and ISO 14001 reflect an integrated approach towards occupational health, safety, and environmental management, reinforcing its commitment to operational excellence, sustainability, and responsible manufacturing practices.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company has a robust Risk Management system to prevent incidents, occupational injuries, illnesses, and ensure business continuity. Considering the inherent risks associated with chemical operations, a structured approach to Hazard Identification, Risk Assessment, and Risk Management is implemented using both qualitative and quantitative methods. All activities, including routine and non-routine operations, are assessed through tools such as HIRA (Hazard Identification and Risk Assessment), JSA (Job Safety Analysis), and SOPs (Standard Operating Procedures) by trained cross-functional teams. Where required, advanced safety studies including PHA (Process Hazard Analysis), HAZOP (Hazard and Operability Study), FMEA (Failure Modes and Effects Analysis), and LOPA (Layer of Protection Analysis) are conducted to strengthen risk control measures. The process is supported by defined roles and responsibilities, regular monitoring, competency-based training, and awareness programs. Employees and contractors are encouraged to report unsafe conditions, which are systematically tracked to closure. High-risk operations involving toxic and flammable chemicals are further evaluated through QRA (Quantitative Risk Assessment) and engineering reviews by internal and external experts.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes. The Company has established clear procedures for employees and workers to report work-related hazards, unsafe conditions, unsafe behaviors, and near-miss incidents. All reports are reviewed through the Company's Health, Safety, and Environment (HSE) system as per defined protocols to ensure timely corrective and preventive actions. The system supports effective risk mitigation and reinforces the Company's commitment to maintaining a safe and secure working environment.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. The Company prioritizes the health and well-being of its employees by providing access to non-occupational medical healthcare services across all sites. Dedicated medical support is available to address health concerns and ensure timely medical assistance. The Company also promotes employee wellness through preventive health check-ups and awareness initiatives focused on overall physical and mental well-being. Employees are encouraged to adopt a preventive healthcare approach and make use of these facilities. These measures, along with medical insurance coverage, reinforce the Company's commitment to a healthy, safe, and supportive work environment.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category*	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

*Including in the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The Company is committed to maintaining high standards of Environmental, Health, and Safety (EHS) through a structured and continuously improving management system across all its sites. The EHS framework, aligned with ISO 45001:2018 standards, applicable regulatory requirements, and corporate sustainability objectives, is implemented across the organization to ensure a safe and healthy working environment. A systematic approach is followed for hazard identification, risk assessment, and risk management through tools such as Hazard Identification and Risk Assessment (HIRA), Job Safety Analysis (JSA), and Hazard and Operability Study (HAZOP). Risks are controlled using the hierarchy of controls to minimize workplace hazards and ensure effective risk mitigation. The Company conducts regular safety audits, inspections, and periodic EHS performance reviews to monitor compliance and drive continuous improvement. Safety awareness is further strengthened through structured communication, training programs, and competency development initiatives. Adequate resources are allocated to implement corrective and preventive actions, ensuring effective incident management and a strong safety culture across all operations.

13. Number of Complaints on the following made by employees and workers:

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	-	0	0	-
Health & Safety	0	0	-	0	0	-

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices*	100%
Working Conditions**	100%

*All locations are certified to ISO 45001:2018 Occupational Health and Safety Management System Standards and underwent third-party audits.

**All Offices were audited during FY 2026 by the qualified internal auditors.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Safety-related incidents and near-miss events are systematically investigated in accordance with the Company's EHS management system. Root cause analyses are conducted, and appropriate Corrective and Preventive Actions (CAPA) are implemented across all sites to prevent recurrence. The effectiveness of these actions is regularly reviewed through internal safety audits and periodic monitoring. Key risks identified through health and safety risk assessments are addressed through engineering controls and other systematic risk mitigation measures. Incident learnings are shared across locations to strengthen awareness and continuously improve safety performance, reinforcing a proactive safety culture across the organization.

Leadership Indicators
1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

(A) Employees	Yes
(B) Workers	

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company ensures systematic monitoring of statutory compliance by value chain partners through established processes integrated into routine bill processing and vendor management systems. Periodic reviews and audits are conducted to verify timely deduction and remittance of applicable statutory dues in accordance with regulatory requirements. The Company also emphasizes adherence to principles of business responsibility, transparency, and accountability across its value chain, reinforcing a strong compliance culture and ensuring alignment with applicable laws and ethical business practices.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment.

Particulars	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Employees	0	0	0	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes. The Company provides transition assistance to employees upon separation, including retirement and termination of employment, on a case-to-case basis in accordance with applicable policies and statutory requirements. The support provided is guided by the circumstances of exit and is aimed at ensuring a fair, structured, and compliant transition process for employees.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices Working Conditions	All of value chain partners (by value of business done with such partners) are assessed for health and safety practices. The Company undertakes routine evaluations, including customer and partner visits where required, to ensure adherence to safe handling practices for technical products. Value chain partners are expected to provide adequate training to relevant stakeholders, both domestic and international, to ensure safe usage, handling, and transportation of products. The Company continues to strengthen engagement with its value chain partners to promote awareness of health and safety standards and ensure alignment with applicable regulatory requirements and industry best practices.

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable. During FY 2025-26, no instances of risks or concerns were identified in relation to the health and safety practices or working conditions of value chain partners.

PRINCIPLE

4

Businesses should respect the interests of and be responsive to all its stakeholders.

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

At Punjab Chemicals, we recognize that effective stakeholder engagement is essential for responsible business conduct, particularly in the chemicals industry where environmental, health, and safety considerations are of high importance. Engaging with diverse stakeholder groups enables us to understand their expectations, address sustainability-related concerns, and strengthen trust and transparency. We identify our key stakeholders through a structured stakeholder mapping and peer review process. This involves systematically assessing both internal and external stakeholders who may be impacted by, or have an influence on, our operations. These typically include employees, customers, suppliers, regulatory authorities, local communities, and other relevant interest groups. The process helps us evaluate the relevance, influence, and expectations of each stakeholder group, ensuring that engagement efforts are focused on those most critical to our business and sustainability performance. This structured approach enables us to proactively manage concerns, comply with regulatory requirements, and continuously improve our environmental and social performance.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Local Communities/ NGO	Yes	- Need assessment surveys - Regular meetings through field work - Emails and telephonic conversations - CSR programs	Continuous	CSR Activities

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers/ Vendors/ Third Party Service Providers	No	- Emails and Meetings - Training workshop and seminars - Supplier assessment and review - Supplier grievance mechanism	Continuous	- Supplier development - Promoting local supplier - Supplier assessment - Promoting shared growth
Employees/ and Contracted Workforce	No	- Training and Programmes - Employee engagement surveys - Performance appraisal reviews - Grievance redressal mechanism - Emails and Meetings	Continuous	- Employee health, safety and well-being initiatives. - Providing E Learning and development platforms for behavioral and skill development. - Employee engagement and satisfaction. - Updates and communication on policies, processes, systems.
Shareholders/ Investors	No	- Annual Report - Annual General Meeting (AGM) - One-on-One Interactions - Announcement through stock exchanges - Company website - Dedicated email ID for Investor Grievances - Investor/Analyst meet - Quarterly Financial Statements	Continuous/ Need Basis	- Financial performance - Operational performance - Business outlook - CSR Programs - Corporate Governance - Material Disclosures etc.
Trade Partners	No	- Emails and Meetings - Governance meetings Business partner touchpoints	Periodically/ Need Basis	- Constant evaluation of GTM models - Ensuring availability of products - Explain emerging channels of trade
Government Authorities	No	- Meetings - Representation through industry association - Written communications	Periodically/ Need Basis	Share information transparently and with ethical adherence.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

At Punjab Chemicals, structured mechanisms are in place to ensure effective engagement with both internal and external stakeholders on matters related to economic, environmental, social, and governance (ESG) performance. The Company has constituted a Stakeholder Relationship Committee of the Board to facilitate consultation with stakeholders and safeguard their interests, particularly those of shareholders and investors. At the management level, regular engagements are conducted with key stakeholders, including employees, customers, suppliers, and investors, to understand their concerns and expectations. Insights emerging from these interactions are systematically reviewed and escalated to senior management to support informed and strategic decision-making. The Board of Directors receives periodic updates on Environmental, Health, and Safety (EHS) performance, along with key environmental and social indicators. Feedback from stakeholder engagements is incorporated into operational improvements and governance decisions. Additionally, CSR initiatives are periodically reviewed, and updates on community engagement activities are presented to the Board to ensure alignment with the Company's sustainability objectives. These governance practices reflect the Company's commitment to transparent stakeholder engagement, responsible business conduct, and compliance with applicable regulatory frameworks.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, stakeholder consultation is used to identify and manage environmental and social topics relevant to the Company. At Punjab Chemicals, we engage with key internal and external stakeholders, including employees, customers, suppliers, and local communities, through structured interactions and feedback mechanisms. These consultations help identify and prioritize material ESG issues. The inputs received are reviewed by management and integrated into relevant policies, operational practices, and sustainability initiatives, particularly in areas such as environmental performance, health and safety, and community welfare.

3. Provide details of instances of engagement with, and actions taken to address the concerns of vulnerable/marginalized stakeholder groups.

The Company follows a structured and inclusive approach to community development, with a focus on addressing the needs of vulnerable and marginalized stakeholder groups in the areas surrounding its operations. Through regular community engagement, the Company identifies key local needs and implements targeted CSR initiatives aimed at improving quality of life. These initiatives include support for education, healthcare access, poverty alleviation, rural development, livelihood enhancement, skill development, and promotion of employment opportunities. The Company also supports initiatives related to food security and socio-cultural development, ensuring holistic community upliftment. Feedback from these engagements is considered in designing and refining CSR programs to ensure they remain relevant and impactful.

PRINCIPLE 5

Businesses should respect and promote human rights.

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
Employees						
Permanent	427	298	69.79%	372	233	62.63%
Other than Permanent	0	0	0.00%	0	0	0
Total Employees	427	298	69.79%	372	233	62.63%
Worker						
Permanent	0	0	0.00%	0	0	0.00%
Other than permanent	0	0	0.00%	0	0	0.00%
Total Workers	0	0	0.00%	0	0	0.00%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent										
Male	383	0	0.00%	383	100.00%	330	0	0.00%	330	100.00%
Female	44	0	0.00%	44	100.00%	42	0	0.00%	42	100.00%
Other than Permanent										
Male	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Female	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Workers										
Permanent										
Male	836	0	0.00%	836	100.00%	857	0	0.00%	857	100.00%
Female	1	0	0.00%	1	100.00%	1	0	0.00%	1	100.00%
Other than Permanent										
Male	787	0	0.00%	787	100.00%	712	0	0.00%	712	100.00%
Female	1	0	0.00%	1	100.00%	1	0	0.00%	1	100.00%

3. Details of remuneration/salary/wages:

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹ in Lakh)	Number	Median remuneration/ salary/ wages of respective category (₹ in Lakh)
Board of Directors (BoD)*	7	3.40	2	11.80
Key Managerial Personnel**	2	625.50	1	30.00
Employees other than BoD and KMP***	345	7.00	42	7.00
Workers***	813	4.00	1	5.00

* The Independent Directors and Non-Executive Non-Independent Directors are entitled to Sitting Fees and Commission as per the statutory provisions. Only Non-Executive Directors are included in the Board of Directors, the Managing Director, being a Key Managerial Personnel (KMP), is not included in this category.

** Key Managerial Personnel (KMPs) include the Managing Director, Chief Executive Officer (CEO), Chief Financial Officer (CFO), and Company Secretary (CS) of the Company. Since the Chief Financial Officers worked only for part of the year, their remuneration has not been considered in computing the median

***The median salary of the staff/workers is calculated based on employees/workers who worked throughout the entire year. Employees who joined or left during the year have not been considered for computing the median.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages	4.88%	5.81%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, a Human Rights Policy is in place, and a designated individual/committee is responsible for overseeing and addressing related impacts or issues.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company has a structured grievance redressal mechanism in place to address human rights-related concerns in line with its Code of Conduct and internal policies. Employees and stakeholders can report grievances through multiple channels such as email, telephone, or written communication. All complaints are registered and initially reviewed by the HR and Administration departments. Depending on the nature of the issue, investigations are conducted internally or through external experts. Findings and recommendations are reviewed by senior management, and appropriate corrective actions are implemented and documented. The Audit Committee periodically reviews the effectiveness of the grievance redressal mechanism to ensure compliance and continuous improvement.

6. Number of Complaints on the following made by employees and workers:

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Child Labor	0	0	-	0	0	-
Forced Labor/ Involuntary Labor	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human Rights related issues	0	0	-	0	0	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

Particulars	FY 2025-26	FY 2024-25
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Punjab Chemicals ensures strict confidentiality of complainants in all discrimination and harassment matters. Complaints are handled with sensitivity, and investigations are conducted discreetly, fairly, and impartially. These measures are designed to prevent retaliation and maintain a safe, respectful, and trustworthy workplace environment.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes. Punjab Chemicals ensures that human rights requirements are appropriately embedded in its business practices. The Company conducts relevant due diligence and integrates applicable human rights principles into its contracts, agreements, and Code of Conduct, where applicable. These principles are communicated to relevant stakeholders, reinforcing the Company's commitment to ethical business conduct, transparency, accountability, and respect for human rights across its operations and partnerships.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	100%

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.

Not Applicable

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

During the year, no human rights related grievances or complaints have been reported. However, the Company continues to proactively strengthen its workplace policies to promote a safe, respectful, and inclusive environment.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

The Company's human rights due diligence framework covers all employees and workers on its payroll. The scope includes assessment of key areas such as freedom of association, prohibition of forced and child labour, compliance with the Prevention of Sexual Harassment (POSH) policy, and other relevant human rights aspects. This process ensures ongoing compliance with applicable laws and alignment with recognized national and international human rights standards, reinforcing responsible and ethical business practices.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, the premises are fully accessible to persons with disabilities, in compliance with the requirements outlined in the Act.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	The Company assesses value chain partners through a structured due diligence process covering EHS, CSR, anti-bribery, cybersecurity, and financial stability. Human rights aspects such as prevention of sexual harassment, non-discrimination, prohibition of child and forced labour, and fair wages are also reviewed to ensure alignment with ethical and responsible business practices.
Discrimination at workplace	
Child labour	
Forced labour/involuntary labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not Applicable

PRINCIPLE

6

Businesses should respect and make efforts to protect and restore the Environment.

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2025-26	FY 2024-25
From renewable sources (in Gigajoules)		
Total electricity consumption (A)	0	0
Total fuel consumption (B)	0	0
Energy consumption through sources (C) other	614573	579842
Total energy consumed from renewable sources (A+B+C)	614573	579842
From non-renewable sources (in Gigajoules)		
Total electricity consumption (D)	162806	151464
Total fuel consumption (E)	0	0
Energy consumption through other sources (F)	77522	2889
Total energy consumed from non-renewable sources (D+E+F)	240328	154354
Total energy consumed (A+B+C+D+E+F)	854901	734196
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	0.000083	0.000082
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) Total energy consumed / Revenue from operations adjusted for PPP *	0.001696	0.001685
Energy intensity in terms of physical output Total energy consumed/Total Production in MT converted to KG**	0.019575	0.017920
Energy intensity (optional) – the relevant metric may be selected by the entity	Not Applicable	Not Applicable

*The PPP factor has been sourced from IMF database for 2026.

**The year end production in MT data (as on March 31, 2026) has been used for the intensity calculations.

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:- No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kiloliters)		
i. Surface water	11966m ³	13225m ³
ii. Groundwater	110667m ³	102478m ³
iii. Third party water	Nil	Nil
iv. Seawater / desalinated water	Nil	Nil
v. Others	Nil	Nil
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	122633m³	115703m³
Total volume of water consumption (in kiloliters)	122633m³	115703m³
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	0.000012	0.000013
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)*	0.000243	0.000266
Water intensity in terms of physical output**	0.002808	0.002824
Water intensity (optional) – the relevant metric may be selected by the entity	Not Applicable	Not Applicable

*The PPP factor has been sourced from IMF database for 2026.

**The year end production in MT data (as on March 31, 2026) has been used for the intensity calculations.

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.-No

4. Provide the following details related to water discharged:

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water	Not Applicable	Not Applicable
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kiloliters)		

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.- No

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes. The Company has implemented a Zero Liquid Discharge (ZLD) system at its manufacturing facility to ensure responsible wastewater management. All process effluents are treated through a Multiple Effect Evaporator (MEE), and the recovered condensate is reused within the plant, including for cooling tower operations. This enables complete recycling of wastewater and ensures compliance with applicable environmental norms and ZLD requirements.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2025-26	FY 2024-25
NO _x	MT	5.44	4.78
Sox	MT	0.76	1.91
Particulate matter (PM)	MT	2.04	1.23
Persistent organic pollutants (POP)	-	0	0
Volatile organic compounds (VOC)	-	0	0
Hazardous air pollutants (HAP)	-	0	0
Others – please specify	-	0	0

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

7. Provide details of Green House Gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	2400MT	2293.35MT
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	0	0
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	tCO ₂ e/rupee turnover	0.00000023	0.00000025
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	tCO ₂ e/rupee turnover adjusted for PPP	0.00000476	0.00000526
Total Scope 1 and Scope 2 emission intensity in terms of physical output**	tCO ₂ e/MT*kg	0.00005495	0.00005597
Total Scope 1 and Scope 2 emission intensity (optional)- the relevant metric may be selected by the entity	-	Not Applicable	Not Applicable

*The PPP factor has been sourced from IMF database for 2026.

**The year end production in MT data (as on March 31, 2026) has been used for the intensity calculations.

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.-No

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes, the entity has undertaken several initiatives focused on reducing Greenhouse Gas (GHG) emissions. The company is promoting the use of renewable energy sources and has implemented solvent recovery systems to minimize solvent losses and associated emissions. Heat recovery systems have been installed to utilize waste heat from process streams, thereby reducing overall energy consumption and dependence on fossil fuels. Additionally, process gases are treated through scrubbers to absorb harmful components and mitigate their environmental impact before release into the atmosphere. There is a developed greenbelt/plantation along the boundary area and inside premises, which acts as a natural carbon sink and helps in improving air quality. Collectively, these measures contribute to lowering emissions, enhancing resource efficiency, and supporting sustainable operations.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2025-26	FY 2024-25
Total Waste generated (in metric tonnes)		
Plastic waste (A)	282.12MT	165.10MT
E-waste (B)	0.69MT	0.07MT
Bio-medical waste (C)	0.28MT	0.0008MT
Construction and demolition waste (D)	Nil	Nil
Battery waste (E)	Nil	Nil
Radioactive waste (F)	Nil	Nil
Other Hazardous waste Please specify, if any. (G)	Nil	Nil
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	Nil	Nil
Total (A + B + C + D + E + F + G + H)	283.09MT	165.170MT

Parameter	FY 2025-26	FY 2024-25
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.000000028	0.000000018
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)*	0.000000562	0.000000379
Waste intensity in terms of physical output**	0.000006482	0.000004031
Waste intensity (optional) – the relevant metric may be selected by the entity	Not Applicable	Not Applicable
*The PPP factor has been sourced from IMF database for 2026. **The year end production in MT data (as on March 31, 2026) has been used for the intensity calculations.		
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	0.620MT	Nil
(ii) Re-used	282MT	Nil
(iii) Other recovery operations	Nil	Nil
Total	282.62MT	Nil
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	1386.89MT	1216.56MT
(ii) Landfilling	2442.76MT	1235.76MT
(iii) Other disposal operations	1.41MT	1.050MT
Total	3831.06MT	2453.37MT

Note: Indicate if any independent assessment / evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.-No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The entity has implemented a comprehensive waste management system in line with regulatory requirements and best environmental practices. Solid and hazardous wastes generated from process operations are segregated at source and handled scientifically. Dewatering of hazardous sludge is carried out to reduce moisture content and overall waste volume before safe disposal through authorized vendors. Recyclable waste is segregated and sent to approved recyclers, while organic waste is managed through appropriate treatment methods. The company also practices solvent recovery to reuse process solvents, thereby minimizing hazardous waste generation.

To reduce the usage of hazardous and toxic chemicals, the company continuously focuses on process optimization, substitution with less hazardous alternatives wherever feasible, and adoption of efficient technologies. Hazardous wastes are stored, handled, and disposed of as per statutory guidelines, ensuring minimal environmental impact. Overall, the approach emphasizes waste minimization, resource recovery, recycling, and safe disposal.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

The company's manufacturing facility and office are strategically located in areas that are distanced from ecologically sensitive zones. We are committed to environmental stewardship by minimizing our environmental footprint and maximizing value for all stakeholders.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

During the financial year, the Company has not undertaken any projects requiring an Environmental Impact Assessment (EIA) under applicable environmental laws and regulations. Accordingly, no EIA was conducted during the reporting period.

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, during the reporting period, the Company remained in full compliance with all applicable environmental laws, regulations, and guidelines in India, including but not limited to the Water (Prevention and Control of Pollution) Act, the Air (Prevention and Control of Pollution) Act, the Environment (Protection) Act, and the rules framed thereunder. The Company holds a valid Consent to Operate, issued by the relevant State Pollution Control Board, and there were no instances of non-compliance reported during the period under review.

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area- Derabassi, Lalru and Pune
- (ii) Nature of operations- Manufacturing of Agrochemicals, Specialty Chemicals and Industrial Chemicals.
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kiloliters)		
(i) Surface water	11966m ³	13225m ³
(ii) Groundwater	110667m ³	102478m ³
(iii) Third party water	Nil	Nil
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kiloliters)	122633m³	115703m³
Total volume of water consumption (in kiloliters)	122633m³	115703m³
Water intensity per rupee of turnover (Water consumed / turnover)	0.000012	0.000013
Water intensity (optional) – the relevant metric may be selected by the entity	Not Applicable	Not Applicable
Water discharge by destination and level of treatment (in kiloliters)		
(i) Into Surface water	Nil	Nil
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kiloliters)		

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.-No

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ Equivalent	0	0
Total Scope 3 emissions per rupee of turnover	MT/₹	0	0
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	Not Applicable	Not Applicable	Not Applicable

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.-No

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not applicable. The entity's business operations are not located within or in proximity to any ecologically sensitive areas as identified in Question 11 of the Essential Indicators. Consequently, there are no significant direct or indirect impacts on biodiversity in such zones. As such, no specific prevention or remediation activities are required in this context.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Integrated Waste Management	1. Process automation has been adopted to achieve better control over operations, resulting in improved first pass yield and a reduction in the batch cycle time of the product. 2. Additionally, recovery of valuable product has been enhanced by minimizing the washing cycles and extracting dissolved product from the effluent stream, thereby reducing hazardous waste generation and improving overall resource efficiency. 3. New technology has been adopted for filtration of intermediate and final products, including installation of Agitated Nutsche Filter Dryers and closed-loop peeler centrifuges. This has enhanced operational safety, improved product handling, and minimized exposure to hazardous materials while ensuring efficient and contained processing. 4. Dry vacuum pumps and oil ring vacuum pumps have been installed in place of the conventional steam ejector system, resulting in significant reduction in steam and power consumption. This transition has also minimized effluent generation, contributing to improved process efficiency and reduced environmental impact within the plant. 5. Effluent pits at each plant have been equipped with flow measurement systems, enabling real-time monitoring and improved control of effluent generation at the source. This has led to better accountability and enhanced overall efficiency in effluent management. 6. Adopted an efficient heat recovery system to minimize heat loss and enhance overall energy efficiency across the process. 7. Continuous efforts are being made to optimize process parameters and enhance heat integration (e.g., through heat exchangers), ensuring maximum utilization of available resources and reduction in energy demand. 8. A dust collector has been installed in the boiler to effectively control particulate emissions, ensuring compliance with environmental norms and improving air quality within and around the plant. 9. An RO plant has been implemented for cooling towers, which helps in reducing cooling tower blowdown and minimizing machine downtime by ensuring consistent water quality and improved system reliability. 10. A flash Jet automated pump has been installed on the steam condensate system to recover flash steam, improving energy efficiency, reducing steam consumption, and minimizing losses. 11. An economiser has been installed in the boiler to recover waste heat from flue gases, improving fuel efficiency and reducing overall energy consumption and emissions.	Conservation and efficient utilization of raw materials and natural resources. Reduced hazardous waste and effluent generation, improved resource efficiency and lowered overall environmental impact and operational costs. Enhanced safety and efficiency with minimized exposure and improved product recovery through enclosed, advanced filtration systems. Lower and sustainable energy consumption. Improving accountability and overall efficiency in effluent management. Reduced heat loss leading to improved energy efficiency and optimized process performance. Effective control of particulate emissions. Reduced blowdown and machine downtime through improved water quality and system reliability. Improved energy efficiency with reduced steam consumption and minimized thermal losses through flash steam recovery.
2.	Recycling of Hot Water	Waste hot water generated in the plant is collected and reused for various indirect applications. The regenerated hot water is circulated and utilized in processes where heat is required.	Savings in water consumption and reduction in fuel usage by reusing hot water in plant operations.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

The Company has a comprehensive Business Continuity and Disaster Management Plan to ensure operational resilience and effective response during disruptions. The framework includes a structured command system for managing Environment, Health and Safety (EHS) emergencies and is supported by a global business continuity framework and business impact assessments. These guide recovery strategies covering life safety, cyber risks, product-related crises, customer service continuity, revenue protection, regulatory compliance, and reputation management. The plan is periodically reviewed and updated through function-wise assessments across operations, ensuring preparedness, resilience, and continuity of critical business activities during any unforeseen events.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

During the reporting period, no significant adverse environmental impacts were identified arising from the Company's value chain. The Company undertakes regular due diligence to assess environmental, health, safety, and human rights risks across its value chain to ensure compliance and operational resilience. A structured risk management approach is in place to identify, monitor, and address potential risks in a timely manner. The Company remains committed to continuous improvement in its sustainability practices and proactive mitigation of any emerging environmental risks.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental.

The Company undertakes a structured due diligence process for its value chain partners, which includes assessment of key Environmental, Health and Safety (EHS) parameters along with anti-bribery, cybersecurity, and financial stability. Environmental aspects form an integral part of this evaluation to ensure compliance with applicable environmental regulations and promote responsible business practices. This assessment framework helps ensure that value chain partners align with the Company's environmental standards and sustainability expectations.

8. How many Green Credits have been generated or procured:

- a. By the listed entity – Nil
- b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners – Nil

PRINCIPLE 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

The Company holds active membership in five recognized trade and industry chambers/associations.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	CHEMEXIL-Basic Chemicals, Cosmetics & Dyes Export Promotion Council	National
2	PHDCCI-PHD Chamber of Commerce and Industry	National
3	BCCI-Bombay Chamber of Commerce and Industry	National
4	Crop Care Federation of India	National
5	The Council of EU Chamber of Commerce in India	National

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Not applicable, No instances of anti-competitive conduct were identified during the reporting period.		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
1.	The Company actively engages with trade and industry associations to represent industry perspectives before government bodies and regulatory authorities. All policy advocacy efforts are undertaken in a transparent, responsible, and ethical manner, with due consideration to national interests.	The Company maintains representation across key industry and business associations and actively participates in policy advocacy on critical sectoral issues, contributing to broader industry development and stakeholder interests.	No	Not Applicable	Not Applicable

PRINCIPLE 8

Businesses should promote inclusive growth and equitable development.

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

No Social Impact Assessments (SIA) was conducted during the reporting period.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Not Applicable

3. Describe the mechanisms to receive and redress grievances of the community.

The Company has established a structured grievance redressal mechanism to address concerns of the community and other stakeholders. Grievances, queries, and complaints can be received through designated communication channels and are formally recorded and reviewed. A dedicated CSR and management team coordinates with relevant internal functions to ensure timely acknowledgment, assessment, and resolution of issues raised. The mechanism is aligned with the Company's Code of Conduct and applicable regulatory requirements, ensuring transparency, accountability, and effective stakeholder engagement in addressing community concerns.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/ small producers	16.60%	6.96%
Directly from within India	54.36%	59.23%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis in the following locations, as % of total wage cost.

Location	FY 2025-26	FY 2024-25
Rural	-	-
Semi-urban	-	-
Urban	100%	100%
Metropolitan	-	-

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Nil	NA

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

No such projects have been undertaken.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized / vulnerable groups? (Yes/No)

No

(b) From which marginalized /vulnerable groups do you procure?

Not Applicable

(c) What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
-	-	-	-	-

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
-	-	-

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Preventive Healthcare Projects	1565	100%
2.	Rural Development Projects	1890	100%
3.	Educational Projects	13685	100%
4.	Eradicating Hunger	6000	100%
5.	Development of traditional art and handicrafts	1300	100%

PRINCIPLE 9

Businesses should engage with and provide value to their consumers in a responsible manner.

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company has established a structured mechanism to receive, review, and address consumer complaints and feedback. Complaints relating to product quality, personnel, supply, or service matters are routed to specialized teams for prompt and appropriate resolution. These teams assess each concern using their functional expertise and implement necessary corrective actions, including product replacement, where applicable. This streamlined approach ensures timely resolution and reinforces the Company's commitment to customer satisfaction and service excellence.

2. Turnover of products and / services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

Note: The Company is dedicated to using environmentally sustainable, recyclable, and reusable materials. This commitment includes responsible recycling and safe product disposal in compliance with Pollution Control Board approved protocols.

3. Number of consumer complaints in respect of the following:

	FY 2025-26			FY 2024-25		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil			Nil		
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	NA
Forced recalls	Nil	NA

5. Does the entity have a framework / policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes. The Company has established a framework to address cyber security and data privacy risks. Periodic assessments and internal reviews are conducted to ensure the effectiveness of controls and compliance with applicable requirements. Identified risks or vulnerabilities are addressed through defined corrective actions within stipulated timelines. The policy can be accessed at the following link: <https://www.punjabchemicals.com/wp-content/uploads/2023/06/Security-Policy.pdf>.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not applicable as no such instances were recorded during the reporting period.

7. Provide the following information relating to data breaches:

- a. Number of instances of data breaches: Nil
- b. Percentage of data breaches involving personally identifiable information of customers: Not Applicable
- c. Impact, if any, of the data breaches: Not Applicable

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Detailed information about our products and services can be accessed on our official website: www.punjabchemicals.com.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The Company prioritizes consumer safety by ensuring that product packaging and labeling provide clear, accurate, and comprehensive information, including usage instructions, composition, intended effects, precautions, and storage guidelines to enable safe and informed use. The Company also emphasizes procurement through authorized distributors to mitigate risks associated with counterfeit or unverified sources. This approach reinforces its commitment to transparency, consumer trust, and product integrity.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The Company has established mechanisms to inform consumers of any potential disruption or discontinuation of essential services through designated communication channels such as email and telephone. Consumer queries and concerns are addressed in a timely and transparent manner, ensuring clear and accurate communication regarding any such changes.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes. The Company provides product labeling that, where applicable, goes beyond statutory requirements and includes additional details such as hazard warnings, safe handling instructions, and relevant contact information to support safe usage and informed decision-making. The Company also undertakes periodic assessments to evaluate consumer satisfaction across its key products/services and major operational locations, supporting continuous improvement in quality and service standards.

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2026

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

To,

The Members

Punjab Chemicals and Crop Protection Limited

Milestone 18, Ambala Kalka Road,

Village & P.O. Bhankharpur,

Derabassi, Mohali, Punjab –140201.

(CIN: L24231PB1975PLC047063)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Punjab Chemicals and Crop Protection Limited** (hereinafter called 'the Company'). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the 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 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 (the period under review) 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 and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings:
 - There was no Foreign Direct Investment, External Commercial Borrowings and Overseas Direct

Investment, during the period under review as informed to us by the management of the Company.

- (v) The following Regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**"):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018- Not applicable to the Company during the period under review.
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021- Not Applicable to the Company during the Review 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 Review Period.
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act 2013 and dealing with client - Not applicable to the Company during the period under review.
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - Not applicable to the Company during the period under review.
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - Not Applicable to the Company during the period under review.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India; and
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

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

We further report that we have relied on the representations/ filings made with Stock Exchanges, Ministry of Corporate Affairs ["MCA"], and other documents provided by the Company, its officers and certify on the examination of the same on test check basis that the Company has complied with the following laws applicable specifically to the Company as identified and confirmed by the management:

- (i) The Boilers Act, 1923;
- (ii) The Poisons Act, 1919;
- (iii) Insecticides Act, 1968;
- (iv) Drugs and Cosmetics Act, 1940;
- (v) The Environment (Protection) Act, 1986;
- (vi) Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016;
- (vii) The Water (Prevention & Control of Pollution) Act, 1974; and
- (viii) The Air (Prevention & Control of Pollution) Act, 1981.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice was given to all the Directors to schedule the Board meetings, and agenda and detailed notes on agenda were sent at least 7 (seven) days in advance except for the meetings which were conducted at shorter notice, in compliance with the provisions of the Companies Act, 2013. Further, 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.

Decisions were taken by majority, while the dissenting members' views, if any, were captured and recorded as part of the minutes.

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 Company has made an investment in SD AgChem (Europe) NV, Belgium wholly owned subsidiary of the Listed Entity amounting to ₹ 16.01 crores pursuant to Settlement Agreement dated December 11, 2023.

Name of Company Secretary in Practice: **P.S. Dua**

FCS No. 4552

C P No. 3934

Place: Ludhiana

Peer Review Certificate No. 7732/2026

Date: May 1, 2026

UDIN: F004552H000252987

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

Annexure A to Secretarial Audit Report

To,
The Members,
Punjab Chemicals and Crop Protection Limited
Milestone 18, Ambala Kalka Road,
Village & P.O. Bhankharpur,
Derabassi, Mohali, Punjab –140201.
(CIN: L24231PB1975PLC047063)

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an 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 CSAS. Our Report of even date is to be read along with this letter.

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

Place: Ludhiana
Date: May 1, 2026

Name of Company Secretary in Practice: **P.S. Dua**
FCS No. 4552
C P No. 3934
Peer Review Certificate No. 7732/2026
UDIN: F004552H000252987

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

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

A) CONSERVATION OF ENERGY

a) Steps taken for Conservation of Energy and Impact:

- Operational – Installation of Rotary Vane Oil Ring Vacuum Pumps in place of Steam Ejectors to reduce steam consumption, improve vacuum stability, and enhance overall process efficiency.
- Operational–Implementation of moderate automation in Hot Water Tanks by providing Temperature Transmitters (TT) and Actuated Control Valves to optimize steam usage, improve temperature control, and reduce manual intervention.
- Installation of FRP light weighted Cooling tower fans with the replacement of conventional Aluminium fans.
- Installation of AC Drives in DEO, Chilled Water, Brine Water & Cooling Tower Pump.
- Installation of Energy Efficient IE4 Three phase AC Induction motor in place of conventional motors.
- Installation of Energy Efficient LED lights in place of conventional lights.
- Multifunction meters installed in individual plants to monitor Power consumption & efficiencies.
- Vortex Flow meters have been installed in individual plants to monitor the steam consumption.
- Boilers revamped to improve their efficiencies.
- Efficiency monitoring program for chillers implemented.
- Power factor improved from 0.992 to 0.998.
- Installation of New N2 Generation system for better efficiency & Recovery.
- Focused on recycling of water resulting in the reduction of water treatment.
- Solvent recovery systems improved. Old heat exchangers were replaced for better efficiency.
- Older power cables have been replaced by new standard XLPE power cables for better efficiency.

b) Steps taken by the Company for utilizing alternate sources of energy:

Energy Audit was conducted and implementation of the suggestions received to save energy are in progress.

c) Capital investment on energy conservation equipment's:

The Company regularly monitors the energy consumption and make necessary investments by installing energy efficient equipment's, wherever required. The capital investment on energy conservation equipment's was ₹4.58 Crore.

Above efforts and monitoring helps in energy conservation and to save cost.

B) TECHNOLOGY ABSORPTION:

(i) Efforts made towards technology absorption:

• Development of In-House Technology:

The Company has a healthy pipeline of around 25 products under working at various stages of R&D, sample approvals, piloting reflecting its strong capability to translate innovation into sustainable business outcomes. These developments reflect our strong focus on innovation, faster turnaround from concept to commercialization, and reduced dependence on external technology providers, thereby enhancing overall business agility and competitiveness.

• Intellectual Property Development:

As part of our continuous focus on innovation and knowledge creation, the Company has filed 3 patents during the year. These filings are aimed at protecting our proprietary processes and novel chemistries, strengthening our intellectual property portfolio, and creating long-term strategic value for the business.

• Improvement in Product Quality:

Significant improvements in product quality have been achieved through the implementation of stringent process control measures and advanced purification techniques aimed at minimizing impurities. These initiatives ensure that products consistently meet or exceed customer-defined specifications and regulatory standards, resulting in improved reliability and enhanced customer satisfaction.

• Advancement in Reaction Chemistry:

The Company has made notable progress in developing advanced reaction chemistries under cryogenic and high-pressure conditions. These efforts are part of our long-term technology roadmap and are expected to support the manufacturing of high-value,

high-purity, and complex molecules. The developed processes are being evaluated for scalability and future implementation at the plant level.

- **Process Optimization and Scale-Up Readiness:**

Continuous efforts have been undertaken to optimize reaction parameters, improve yields, and enhance process efficiency. Special emphasis has been placed on seamless scale-up from laboratory to pilot and commercial production levels. These initiatives have contributed to reduced cycle times, improved batch consistency, and better utilization of plant resources.

- **Strengthening R&D Capabilities:**

The Company has further strengthened its R&D capabilities through investments in modern laboratory infrastructure, advanced analytical instruments, and skilled technical manpower. This has enhanced our ability to carry out complex synthesis, improve process understanding, and respond effectively to evolving customer and market requirements.

(ii) Benefits derived from the above efforts:

- **Product Improvement:**

Improved impurity control and enhanced process understanding have resulted in significant advancements in product quality. This has led to higher acceptance levels from customers, reduced rejection rates, and increased trust in our products across both domestic and international markets.

- **Cost Reduction:**

The development of in-house technologies, along with continuous process optimization, has led to substantial cost efficiencies. Improvements in yield, reduction in raw material consumption, and better energy utilization have contributed to lowering overall production costs. Additionally, reduced reliance on external technologies has minimized licensing and procurement expenses.

- **New Product Development and Commercialization:**

The Company has a healthy pipeline of around 25 products under working at various stages of R&D, sample approvals, piloting reflecting its strong capability to translate innovation into sustainable business outcomes. This has strengthened the product portfolio and opened up additional revenue streams.

- **Operational Efficiency:**

Process improvements and optimization initiatives have resulted in better resource utilization, reduced wastage, and improved turnaround time in manufacturing operations. These enhancements have contributed to increased productivity and improved overall operational performance.

- **Enhanced Safety and Compliance:**

The adoption of advanced technologies and improved process controls has led to better safety standards in operations. The Company continues to ensure compliance with applicable environmental and regulatory norms, while also focusing on safe handling of chemicals and processes, particularly under high-pressure and low-temperature conditions.

(iii) Technology imported during the last 3 years:

During the last three years, the Company has not imported any external technology. The focus has been on developing and strengthening in-house technological capabilities by leveraging customer insights, market demand, and internal expertise. Through continuous engagement with customers and analysis of evolving requirements, the Company has successfully built self-reliance and developed innovative, cost-effective solutions aligned with industry trends.

Future Outlook:

Going forward, the Company will continue to invest in research and development, with a focus on advanced chemistries, process intensification, and sustainable technologies. Emphasis will also be placed on expanding the intellectual property portfolio, accelerating commercialization of new products, and maintaining a strong alignment with customer needs to ensure sustainable growth and long-term value creation.

(iv) The expenditure incurred on Research and Development:

	(₹ In lakh)	
	FY2025-26	FY2024-25
Capital Expenditure	113	49
Revenue Expenditure	481	415
Total R&D Expenditure	594	464
Total R&D expenditure as % age of total turnover	0.58%	0.52%

C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

	(₹ In lakh)	
	FY2025-26	FY2024-25
Foreign Exchange Earned	44,372	34,583
Foreign Exchange Outgo	20,370	19,022

For and on behalf of the Board of Directors
Mukesh Dahyabhai Patel

Place: Vadodara
Date: May 1, 2026

Chairman
DIN: 00009605

Disclosure of Managerial Remuneration

[Pursuant to Section 197 of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- 1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2025-26 as well as the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary is as under:**

Name of Director/Key Managerial Personnel	Designation	Ratio to median Remuneration	FY2024-25
Mr. Shalil Shashikumar Shroff	Managing Director	167.8x	117.36%
Mr. Mukesh Dahyabhai Patel	Non-Executive Non- Independent Director	4.05x	70.89%
Capt. Surjit Singh Chopra (Retd.)	Non-Executive Non- Independent Director	0.65x	35.42%
Mr. Shivshankar Shripal Tiwari	Non-Executive Non-Independent Director	15.24x	135.55%
Mr. Avtar Singh	Non-Executive Non-Independent Director	0.52x	15.56%
Mr. Vijay Dilbagh Rai	Non-Executive Non-Independent Director	4.02x	76.32%
Mrs. Aruna Rajendra Bhinge	Non-Executive Independent Director	2.52x	157.14%
Mrs. Tara Subramaniam	Non-Executive Independent Director	2.2x	171.60%
Mr. Sheo Prasad Singh*	Non-Executive Independent Director (up to April 30, 2025)	0.09x	Not Applicable
Mr. Kapil Kumar Mehan*	Non-Executive Independent Director (w.e.f. April 30, 2025)	0.68x	Not Applicable
Mr. Suresh Arora*	Non-Executive Independent Director (w.e.f. April 30, 2025)	0.68x	Not Applicable
Mr. Vinod Kumar Gupta**	Chief Executive Officer	Not Applicable	13.23%
Mr. Devender Gupta*	Chief Financial Officer (w.e.f. December 16, 2025)	Not Applicable	Not Applicable
Mr. Vikash Khanna*	Chief Financial Officer (up to September 15, 2025)	Not Applicable	Not Applicable
Mrs. Rishu Chatley	Company Secretary and Compliance Officer	Not Applicable	11.11%

The increase in the ratio and percentage of directors' remuneration is mainly due to the higher commission payable during the year, which is subject to shareholders' approval at the 50th Annual General Meeting and will be paid thereafter.

* Since the remuneration is only for part of the year (current/previous), the percentage increase in remuneration is not comparable and hence not stated.

** Percentage of the remuneration of Chief Executive Officer, calculated after excluding performance-based incentives and variable pay, for the current and previous financial years.

- 2. The percentage increase/decrease in the median remuneration of employees in the financial Year: 2.46%**

- 3. The number of permanent employees on the rolls of Company:**

As on March 31, 2026	1,264
As on March 31, 2025	1,230

4. Average percentile increase already made in the salaries of employees other than the managerial remuneration 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.

Average increase in salary of employees (other than managerial personnel)	5.63%
Average increase / decrease in remuneration of Managerial Personnel	44.60%

Managerial Personnel includes MD, CEO and CS

The increase in remuneration of managerial personnel during the year was mainly due to the higher commission paid to the Managing Director, which is subject to shareholders' approval at the 50th Annual General Meeting and will be paid thereafter

5. Affirmation that the remuneration is as per the remuneration policy of the Company.

Remuneration paid to Directors, KMP's and other employees during the year is as per the Remuneration Policy of the Company.

Note:

1. The Median salary of the staffs joined or left in any part of the year have not been considered for computing the median.
2. No Stock option was granted to Directors.
3. The remuneration includes sitting fees, professional fees, and commission payable to the Non-Executive Directors, as well as salary and commission for the Executive Director. The commission pertains to the financial year 2025-26 and will be paid during the financial year 2026-27.
4. The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this Report

Statement showing detail of employees drawing aggregate remuneration exceeding one crore and two lakh rupees as per the Rule 5 of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel Rules, 2014)

Name of Director/Key Managerial Personnel	Designation	Remuneration (₹ in Lakh)	Nature of employment	Qualifications	Experience	Commencement of employment	Age	Last employment held	Percentage of equity shares held in Company	Whether such employee is a relative of any director or manager
Shalil Shashikumar Shroff	Managing Director	839.00	Whole Time	Management Diploma from U.S.A. and B.Com	37 Years	January 15, 1992	61 Years	STS Chemicals Limited, Director	1.88% (2,30,581 Shares)	Son in law of Capt. S.S. Chopra (Retd.), Director
Vinod Kumar Gupta	Chief Executive Officer	412.00	Whole Time	Chemical Engineer, IIT Bombay & Post Graduate Program in Management for Executives, IIM Ahmedabad	34 Years	February 2, 2021	56 Years	Archean Chemicals Industries Private Limited - CEO	Nil	Not Applicable
Vijay Kaushik	AVP	112.00	Whole Time	PHD	33 Years	April 4, 2023	56 Years	Bayer Vapi Pvt. Ltd.	Nil	Not Applicable
Bishan Singh	AVP	105.00	Whole Time	B.Com (Hons.)	34 Years	December 19, 1994	58 Years	Salora International Ltd.	(1 Share)	Not Applicable

The Board has recommended / approved a Commission of ₹500 lakh (within the ceiling provided in the Companies Act, 2013) to Mr. Shalil Shashikumar Shroff, Managing Director for the year 2025-26 in accordance with remuneration approved by the shareholders of the Company and shall be paid in the financial year 2026-27, which has been included in his remuneration.

Report on Corporate Governance

In compliance with Regulation 34(3) read with Schedule V (Para C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the report on Corporate Governance of Punjab Chemicals and Crop Protection Limited ("the Company") is as follows:

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

At Punjab Chemicals, corporate governance is a fundamental pillar of our business philosophy, underpinning sustainable growth and long-term value creation. We are committed to upholding the highest standards of governance, guided by the core principles of integrity, transparency, accountability, and fairness in all our dealings.

We believe that corporate governance extends beyond mere regulatory compliance; it is an ethically driven framework that shapes our decision-making processes and reinforces stakeholder trust. Our approach emphasizes responsible business conduct, sound risk management, and adherence to both the letter and spirit of applicable laws and regulations.

The Company recognizes its stakeholders, shareholders, employees, customers, suppliers, investors, communities, and policymakers as partners in its growth journey. We are dedicated to nurturing enduring relationships with them by ensuring fairness, openness, and consistent value creation. This commitment stems from our belief that a robust governance framework, built on trust and transparency, is essential for achieving long-term sustainability.

At the Company, corporate governance is viewed as a continuous journey of improvement rather than a static goal. We strive to enhance our governance standards through ongoing evaluation, adoption of best practices, and alignment with evolving regulatory and business environments.

Our governance framework is supported by well-defined policies, including the Code of Conduct and Ethics, corporate governance guidelines, and Board committee charters. These instruments provide a structured foundation for ethical conduct, effective oversight, and accountability across the organization.

The Company's governance structure is designed to ensure a balanced distribution of authority and responsibilities, supported by robust internal controls, risk management systems, and audit mechanisms. Our Board of Directors comprises experienced and diverse professionals with expertise across industry, finance, management, and legal domains, enabling informed and independent decision-making.

Our corporate governance framework is built on several key pillars: a competent and diverse Board of Directors combining executive and independent expertise; clearly defined governance structures that ensure proper delegation of authority and effective checks and balances; and transparent, fair, and robust systems, processes, and policies guiding operations and decision-making. We are committed to timely, accurate, and comprehensive disclosures to stakeholders on financial, operational, and governance matters, supported by strong internal controls and a compliance framework that enforces

adherence to all applicable laws and regulations. Additionally, we uphold high standards of environmental protection, health and safety, and sustainable operations, aligned with regulatory requirements and industry best practices.

Through these practices, the Company continues to reinforce its commitment to excellence in corporate governance, thereby strengthening stakeholder confidence and creating enduring value.

BOARD OF DIRECTORS

Role of the Board of Directors

The Board of Directors of the Company, while playing a vital role in overall management of the Company, serves as the custodian of stakeholders' interests, safeguarding and enhancing long-term shareholder value. It provides strategic direction, oversees management performance, and ensures that operations are efficient, transparent, and aligned with ethical and regulatory standards. The Board reviews corporate strategy, budgets, and key business initiatives, including capital expenditure, acquisitions, and divestments, while monitoring performance and risk management, particularly in areas critical to the chemicals industry such as safety, environmental compliance, and regulatory adherence.

Comprising a balanced mix of executive and independent directors, the Board exercises independent judgment, mitigates conflicts of interest, and periodically evaluates the effectiveness of governance practices to ensure continuous improvement and sustainable value creation.

Composition, Category & Size of Board

The Company recognizes that a well-structured and diverse Board is integral to effective governance and sustainable value creation. The Board is composed to ensure an appropriate balance between executive and non-executive directors, enabling robust oversight and independent judgment. Board diversity is a key priority, encompassing a broad mix of skills, experience, industry knowledge, and demographic attributes. This diversity enhances the quality of deliberations and supports informed and balanced decision-making. During the year under review and as on the date of this Report, the Board's composition is in full compliance with Regulation 17 of the SEBI Listing Regulations and Section 149 and other applications provisions of the Companies Act, 2013 ("the Act"). It comprises individuals with strong professional credentials and relevant expertise, ensuring effective stewardship of the Company.

As on March 31, 2026 and as on the date of this Report, the Board consists of ten (10) Directors: one (1) Executive Director (Managing Director), five (5) Non-Executive Non-Independent Directors, and four (4) Non-Executive Independent Directors,

including two (2) Independent Women Directors. The Chairperson of the Board is a Non-Executive Director. The Managing Director also serves as a Promoter Director. In accordance with the Act, five Non-Executive Directors are liable to retire by rotation at the Annual General Meetings. All Directors are within the prescribed limits of Directorships and Committee positions under the SEBI Listing Regulations and the Act.

Board Meetings and attendance

During the financial year 2025-26, five (5) Board meetings were held on April 30, 2025, July 28, 2025, November 3, 2025, January 28, 2026 and March 25, 2026. The gap between two Board meetings was within the limit prescribed under Section 173(1) of the Act and Regulation 17(2) of the SEBI Listing Regulations. The requisite quorum was present for all the meetings.

The Composition and Category of Directors, their attendance at the Board Meetings and the last Annual General Meeting (AGM) held during the financial year 2025-26 and the number of Directorships and Committee Chairmanships/ Memberships held by them in other Public Limited Companies as on March 31, 2026 are as follows:

Name and DIN	Designation & Category	Attendance		No. of other directorships and Committee memberships / chairmanships			No. of Shares
		Board Meeting	Last AGM	Other Directorships*	Committee Memberships	Committee Chairmanship	
Mr. Mukesh Dahyabhai Patel (DIN: 00009605)	Chairman cum Non-Executive/ Non-Independent	5/5	Yes	1	-	-	400
Mr. Shalil Shashikumar Shroff (DIN: 00015621)	Managing Director (Promoter/ Executive)	5/5	Yes	1	-	-	2,30,581
Capt. Surjit Singh Chopra (Retd.) (DIN: 00146490)	Non-Executive/ Non-Independent	4/5	Yes	-	-	-	Nil
Mr. Vijay Dilbagh Rai (DIN: 00075837)	Non-Executive/ Non-Independent	5/5	Yes	1	1	-	Nil
Mrs. Aruna Rajendra Bhinge (DIN: 07474950)	Non-Executive/ Independent Woman Director	5/5	Yes	3	4	-	Nil
Mr. Avtar Singh (DIN: 00063569)	Non-Executive/ Non-Independent	4/5	Yes	1	1	-	Nil
Mr. Shivshankar Shripal Tiwari (DIN: 00019058)	Non-Executive/ Non-Independent	5/5	Yes	-	-	-	33,469
Mrs. Tara Subramaniam (DIN: 07654007)	Non-Executive/ Independent Woman Director	5/5	Yes	6	7	2	Nil
Mr. Kapil Kumar Mehan (DIN: 01215092)	Non-Executive/ Independent	5/5	Yes	2	1	1	Nil
Mr. Suresh Arora, IPS (Retd.) (DIN: 10641466)	Non-Executive/ Independent	5/5	Yes	1	2	-	Nil

*Excludes Directorship in private limited companies, foreign companies, and companies under Section 8 of the Act.

Notes:

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| <p>(a) Membership of Committee only includes Audit Committee and Stakeholders Relationship Committee in Indian Public Limited Companies other than "the Company".</p> <p>(b) Mr. Shalil Shashikumar Shroff, Managing Director and Capt. Surjit Singh Chopra (Retd.) are related to each other. None of the other Directors are related inter-se.</p> <p>(c) None of the Directors have received any loans and advances from the Company during the year.</p> <p>(d) The Managing Director is paid remuneration as approved by the members of the Company, within the overall ceiling</p> | <p>prescribed under the Act, other Non-Executive Directors are paid sitting fees for attending the Board and Committee Meetings in addition to the Commission in case of sufficient net profit calculated as per the provisions of the Act.</p> <p>(e) Mr. Shivshankar Shripal Tiwari is also paid professional fees for advisory services in addition to the sitting fees and commission.</p> <p>(f) The Company has no convertible instruments. None of the Directors hold any convertible instruments of the Company.</p> |
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- (g) The Board of Directors has noted the declarations received from the Independent Directors pursuant to the Act and SEBI Listing Regulations with regard to their independence and are of the opinion that the Independent Directors fulfil the conditions of independence and are independent of the Management of the Company.
- (h) During the year under review, Mr. Sheo Prasad Singh (DIN: 06493455) resigned as an Independent Director of the Company with effect from April 30, 2025, citing preoccupation and personal commitments. The Company has received a confirmation from him that there were no other material reasons for his resignation.
- (i) Mr. Kapil Kumar Mehan (DIN: 01215092) and Mr. Suresh Arora (DIN: 10641466) were appointed as Additional Independent Directors of the Company with effect from April 30, 2025, and were subsequently regularised as Independent Directors at the 49th AGM held on July 29, 2025.

Pursuant to Part C of Schedule V of the SEBI Listing Regulations, details of Directorship in other equity listed entity and category of Directorship as on March 31, 2026, are mentioned below:

Name of Director	Company	Category of Directorship
Mr. Mukesh Dahyabhai Patel	-	-
Mr. Shalil Shashikumar Shroff	-	-
Capt. Surjit Singh Chopra (Retd.)	-	-
Mr. Vijay Dilbagh Rai	-	-
Mrs. Aruna Rajendra Bhinge	Laurus Labs Limited Mahindra EPC Irrigation Limited	Independent/Non-Executive
Mr. Avtar Singh	-	-
Mr. Shivshankar Shripal Tiwari	-	-
Mrs. Tara Subramaniam	Restaurant Brands Asia Limited Vascon Engineers Limited Tips Music Limited Delta Crop Limited Nisus Finance Services Co Limited	Independent/Non-Executive
Mr. Kapil Kumar Mehan	Granules India Limited	Independent/Non-Executive
Mr. Suresh Arora, IPS (Retd.)	Sukhjit Starch and Chemicals Limited	Independent/Non-Executive

Core Skills/Expertise/Competencies available with the Board

The Board comprises qualified Members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees.

The following skills/expertise/competencies have been identified for the effective functioning of the Company and are currently available with the Board:

- Global business and Economics
- Management and Leadership
- Strategy and Growth
- Crop Protection Products
- Finance
- Risk Compliance and Governance

The table below outlines the specific areas of expertise of each Board member

Name of Director	SKILLS & EXPERTISE					
	Global business and Economics	Management and Leadership	Strategy and Growth	Crop Protection Products	Finance	Risk, Compliance and Governance
Mr. Mukesh Dahyabhai Patel	✓	✓	✓	✓	✓	✓
Mr. Shalil Shashikumar Shroff	✓	✓	✓	✓	✓	✓
Capt. Surjit Singh Chopra (Retd.)	✓	✓	✓	✓	✓	✓
Mr. Vijay Dilbagh Rai	✓	✓	✓	✓	✓	✓
Mrs. Aruna Rajendra Bhinge	✓	✓	✓	✓	✓	✓
Mr. Avtar Singh	✓	✓	✓	✓	✓	✓
Mr. Shivshankar Shripal Tiwari	✓	✓	✓	✓	✓	✓
Mrs. Tara Subramaniam	✓	✓	✓	✓	✓	✓
Mr. Kapil Kumar Mehan	✓	✓	✓	✓	✓	✓
Mr. Suresh Arora, IPS (Retd.)	✓	✓	✓	✓	✓	✓

Appointment/ Re-appointment of Directors

Details of Directors seeking appointment/re-appointment pursuant to the Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India ("ICSI") and are given in Notice of the Annual General Meeting (AGM).

Independent Directors

As on March 31, 2026 and as on the date of this report, the Company has four (4) Independent Directors on its Board, namely Mrs. Aruna Rajendra Bhinge, Mrs. Tara Subramaniam, Mr. Kapil Kumar Mehan, and Mr. Suresh Arora.

Mr. Kapil Kumar Mehan and Mr. Suresh Arora were appointed as Additional Independent Directors of the Company with effect from April 30, 2025, for a term of five consecutive years. They were subsequently regularized as Independent Directors of the Company at the 49th Annual General Meeting held on July 29, 2025.

Independent Directors Role

As trustees of the shareholders, Independent Directors play a critical role in upholding the highest standards of corporate governance and ensuring fairness, transparency, and accountability in the Company's decision-making processes. Leveraging their expertise across diverse domains, they provide independent judgment on strategic matters, risk management, internal controls, and overall business performance. The Directors' Report includes disclosures regarding the fulfillment of the prescribed independence criteria by the Company's Independent Directors.

Selection of Independent Directors

The Independent Directors are appointed by the Board to provide their independent judgement on the affairs of the Company. The Independent Directors are appointed by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee.

Every Independent Director, at the first meeting of the Board in which he/she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he/she meets the criteria of independence as provided under the law and that he/she is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his/her ability to discharge his/her duties with an objective independent judgement and without any external influence.

In the opinion of the Board, the Independent Directors of the Company fulfil the conditions specified in SEBI Listing Regulations and the Act, regarding independence and are independent of the management. Further, pursuant to the Ministry of Corporate Affairs ("MCA") notification dated October 22, 2019, all the Independent Directors are registered on the Independent Directors databank maintained by the Indian Institute of Corporate Affairs ("IICA").

At the time of appointment, each Independent Director is issued a formal letter of appointment containing the terms of appointment, roles, duties and code of conduct among

other items. The draft letter of appointment is available on the website of the Company under Investors section at <https://www.punjabchemicals.com/wp-content/uploads/2022/04/Draft-letter-of-appointment.pdf>.

Familiarisation Programme

Pursuant to the provisions of the Act and Regulation 25(7) of the SEBI Listing Regulations, the Company has conducted structured familiarisation programmes for its Independent Directors. During the financial year 2025-26, the Directors were updated through periodic presentations and interactions with senior management on the Company's operations, business environment, financial performance, risk management, and regulatory developments. They were also regularly apprised of significant corporate developments and their roles, responsibilities, and duties, enabling effective participation in the Board and Committee deliberations.

The details of familiarization programmes imparted to Independent Directors are also disclosed on the Company's website at: <https://www.punjabchemicals.com/wp-content/uploads/2026/03/Familiarisation-Programme-for-Independent-Directors-FY-2025-26.pdf>.

Separate Meeting of Independent Directors

In accordance with the provisions of Schedule IV of the Act, read with Regulation 25 of SEBI Listing Regulations, the Independent Directors of the Company held a meeting on March 25, 2026, without the presence of Non-Independent Directors or members of the management team. All Independent Directors were present at the meeting. During the meeting, they inter-alia:

- Reviewed the performance of Non-Independent Directors and the Board as a whole;
- Assessed the performance of the Chairman of the Company, taking into account the views of Executive and Non-Executive Directors; and
- Evaluated the quality, quantity, and timeliness of information flow between the management and the Board necessary for the Board to effectively discharge its duties.

The meeting also provided an opportunity for Independent Directors to discuss the affairs of the Company, the outcome of the Board/Committee evaluation, and to put forth their views to the Board. In addition to formal meetings, interactions also took place between the Chairman and Independent Directors throughout the year.

Directors and Officers Insurance ('D&O')

In line with the requirements of Regulation 25(10) of the SEBI Listing Regulations, the Company has taken adequate D&O insurance for directors, officers and employees of the Company. Any person who becomes a Director or an Officer, including an employee who is acting in a managerial capacity, shall be covered under the Directors' and Officers' Liability Insurance Policy. The Company has provided insurance cover in respect of legal action against its Directors under the Directors' and Officers' Liability Insurance.

Information to Board/ Committee Members

Throughout the year, board and committee meetings were scheduled with due notice, ensuring that all members were well-informed in advance. Relevant information, including detailed agenda items, was provided promptly to facilitate thorough discussions. This approach enabled the directors and committee members to make informed decisions and offer strategic guidance to management. The company also ensures continuous access to necessary information for the board members, empowering them to request any additional details required for their review and approval.

Board/Committee Meetings and Procedures

The Board has constituted various Committees to govern specific areas of operations/functions. All Board and Committee meetings are held in compliance with Secretarial Standard-1 ("SS-1") issued by The Institute of Company Secretaries of India ["ICSI"]. The Company has moved to a regime of paperless Board and Committee meetings. All Board and Committee meetings were held both physically and via video conferencing, as allowed under law.

Scheduling and selection of agenda items for Board and Committee meetings

The Board/Audit Committee annually holds at least four prescheduled meetings. Additional Board/Committee meetings may be convened to address the Company's specific needs. In case of business exigencies or urgency, resolutions are passed by circulation. Every quarter, the Board notes compliances of all laws applicable to the Company. In the Board/Committee meeting, various business heads/ service heads are invited to make presentation on their respective areas.

The Chairman of the Board and Company Secretary, in consultation with other concerned members of the senior management, finalize the agenda for Board/Committee meetings. The agenda is circulated to the Directors well in advance along with all material information pertaining to the agenda items for facilitating meaningful and focused discussions at the meeting.

The agenda covers annual operating plans, capital budgets, and updates thereto; quarterly and annual consolidated and standalone financial results and statements of the Company; matters related to capital or corporate restructuring and acquisitions; dividend-related matters; regular business and functional updates; updates from the Chairperson of Board Committees; compliance-related matters; regulatory updates; human resource-related matters; and risk assessment and control measures to ensure effective monitoring and mitigation of potential risks.

The Directors are provided with the facility to participate in Board and Committee meetings via video conferencing ("VC"), ensuring flexible participation. They attended these meetings either through the VC facility or in person, depending on the circumstances, if the need arises. The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board/Committee

members for their comments as prescribed under SS-1. The minutes after considering comments of directors, are entered in the minutes book within 30 days from the conclusion of the meeting. The minutes thereafter are signed by the Chairperson of the next meeting. Important decisions taken at Board/ Committee meetings are communicated promptly to the concerned departments/ divisions. Action taken on decisions/ minutes of the previous meeting(s) is placed at the succeeding meeting of the Board/ Committees for noting.

Code of Conduct

The Company has adopted a Code of Business Conduct and Ethics for Directors and Senior Management of the Company, as required under Regulation 17(5) (a) of the SEBI Listing Regulations.

The Company has received confirmations from the Directors and Senior Management regarding compliance with the Code of Conduct for the year ended March 31, 2026. A declaration to this effect from the Managing Director forms part of this Report.

The Code of Conduct has been displayed on the Company's website at <https://www.punjabchemicals.com/code-of-conduct/>.

Code of Conduct for Prevention of Insider Trading

As required by the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted the Code of Conduct to Regulate, Monitor and Report Trading by Insiders. The Company has received declarations from the Directors and Designated Persons regarding compliance with the Code of Conduct for Prevention of Insider Trading for the year ended March 31, 2026.

The Company Secretary acts as the Compliance Officer.

The Code of Conduct for Prevention of Insider Trading is applicable to all Directors and Designated Persons of the Company who are expected to have access to Unpublished Price Sensitive Information relating to the Company. This Code of Conduct lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with securities of the Company and cautions them of the consequences of violations.

The Code of Conduct for Prevention of Insider Trading has been displayed on the Company's website at <https://www.punjabchemicals.com/code-of-conduct/>.

Succession Planning / Policy

The Company believes in a proactive and structured approach to succession planning to ensure the continuity of leadership and management. The Nomination and Remuneration Committee ("NRC") oversees the process for the Board of Directors and Senior Management, with periodic review by the Board. The NRC identifies suitable candidates, both internally and externally, to fill vacancies at the Board and Key Managerial Personnel levels, ensuring that appointments are aligned with the Company's strategic objectives, competencies, and values. This process

supports a balanced composition of skills, experience, and continuity within the Board and senior management, fostering long-term stability and effective governance.

The Succession Policy is placed on the website of the Company at <https://www.punjabchemicals.com/wp-content/uploads/2020/07/Succession-Policy.pdf>.

Statutory Compliance Monitoring Tool

The Company has implemented a web-based software for monitoring of Statutory Compliances, enabling the Company to enhance and streamline the tracking of all the statutory & legal obligations. This tool provides a comprehensive platform for managing compliance across various domains, ensuring that all legal requirements are met in a timely and efficient manner. It serves as a reliable resource for the Board, offering necessary assurances regarding the Company's adherence to applicable legal standards. By leveraging this tool, the Company can effectively navigate the complex landscape of statutory requirements, mitigate potential risks, and maintain a robust compliance posture. This demonstrates the Company's commitment to ethical business practices and good governance.

COMMITTEES OF THE BOARD

The Board has established Committees in accordance with the Act and SEBI Listing Regulations to strengthen Corporate Governance and ensure effective oversight. These Committees, formally approved by the Board, are responsible for carrying out specific roles that support sound governance practices. At present, the Board is supported by five Committees covering Audit, Nomination and Remuneration, Stakeholders Relationship, Risk Management, and Corporate Social Responsibility. Each Committee functions under defined terms of reference, periodically reviewed to enhance effectiveness and align with global best practices. The Board monitors their activities, reviews minutes of all meetings, and Committees may invite external experts or special participants as needed. In line with the SEBI Listing Regulations, mandatory disclosures for key governance Committees are provided below.

Audit Committee

As of March 31, 2026, the Audit Committee comprises three (3) Directors of which, two (2) are Independent Directors and one (1) is Non-Executive Non-Independent Director, with the Chairperson being an Independent Director. All the Members of the Committee have relevant accounting or related financial management expertise.

The terms of reference of the Audit Committee are wide and cover all the matters specified under Regulation 18 read with Part C of Schedule II to the SEBI Listing Regulations and the Act.

The terms of reference of the Audit Committee include, inter alia, overseeing the Company's financial reporting process and the disclosure of financial information to ensure that the financial statements are correct, sufficient, and credible. The Committee reviews and examines, along with management, the quarterly, half-yearly, and annual financial results as well as the auditors' report before submission to the Board for approval. It also reviews the management discussion and analysis of financial condition and results of operations, and approves or modifies related party transactions in accordance with the Company's policy. Additionally, the Committee recommends the appointment, remuneration, and terms of appointment of the Company's auditors and approves payment for any other services rendered by them. It is responsible for reviewing and monitoring the auditor's independence, performance, and the effectiveness of the audit process, as well as reviewing management letters or internal control weakness reports issued by statutory auditors. The Committee further reviews, with management, the performance of statutory and internal auditors and the adequacy of internal control systems, and evaluates the adequacy of the internal audit function by discussing significant findings and tracking corrective actions. It also evaluates internal financial controls and risk management systems, reviews the functioning of the Company's Code and Whistle-Blowing Mechanism, and examines internal controls related to compliance under Insider Trading Regulations.

During the financial year 2025-26, five (5) Committee meetings were held on April 30, 2025, July 28, 2025, November 3, 2025, January 28, 2026 and March 25, 2026.

The composition of the Committee and detail of meetings attended by the Members during the financial year 2025-26 are:

Sr. No.	Name of Director	Category	Designation	No. of Meetings Attended
1.	Mrs. Aruna Rajendra Bhinge	Non-Executive / Independent	Chairperson	5/5
2.	Mrs. Tara Subramaniam	Non-Executive / Independent	Member	5/5
3.	Mr. Vijay Dilbagh Rai	Non-Executive / Non-Independent	Member	5/5
4.	Mr. Sheo Prasad Singh*	Non-Executive / Independent	Member	1/1

*Effective from April 30, 2025, there has been a change in the constitution of the Committee. Mr. Sheo Prasad Singh, Non-Executive Independent Director, resigned and therefore ceased to be a member of the Committee.

The composition, quorum, roles, and powers of the Committee are in accordance with Section 177 of the Act, and Regulation 18 read with Part C of Schedule II of the SEBI Listing Regulations.

The Company Secretary acts as the Secretary to the Audit Committee in conformity with Section 177 of the Act and Regulation 18(1) of the SEBI Listing Regulations.

The Audit Committee meetings are attended by the Managing Director, Chief Executive Officer, Chief Financial Officer and the Statutory Auditors of the Company, whenever required. The Internal Auditors and Cost Auditors of the Company are also invited to the meetings, as and when required. The Committee also invites such executives, as it considers appropriate to seek any clarification.

During the year, the Committee reviewed the key audit findings covering operational, financial, compliances, internal financial controls and reporting system. The Chairperson of the Audit Committee briefs the Board about the significant discussions at the Audit Committee meetings. The minutes of each of the Audit Committee meetings are placed before the Directors in the next meeting of the Board. During the year, all the recommendations made by the Audit Committee were accepted by the Board. The Chairperson of the Committee was present at the last AGM held on July 29, 2025.

Nomination and Remuneration Committee

As of March 31, 2026, the Nomination and Remuneration Committee comprises of 3 (three) Directors of which, 2 (two) are Independent Directors and 1 (one) is Non-Executive Non-Independent Director, with the Chairperson being an Independent Director.

The terms of reference of the Committee are in line with the requirements of Regulation 19 read with Part D of

Schedule II to the SEBI Listing Regulations and the Act. These include formulating and recommending the Nomination and Remuneration Policy to the Board, and evaluating, for every appointment of an Independent Director, the balance of skills, knowledge, and experience on the Board. Based on such evaluation, the Committee prepares a description of the role and capabilities required of an Independent Director, ensuring that the recommended candidate possesses the identified capabilities. For identifying suitable candidates, the Committee may use the services of external agencies, consider individuals from diverse backgrounds, and assess their time commitments. The Committee is also responsible for identifying candidates qualified to become Directors and persons suitable for appointment as Senior Management Personnel in accordance with the Nomination and Remuneration Policy, and recommending their appointment or removal to the Board. It reviews and approves remuneration policies and annual payments to Directors, ensuring that compensation for Senior Management Personnel and other employees aligns with the policy, and recommends to the Board all forms of remuneration payable to Senior Management Personnel. Additionally, the Committee lays down the process for performance evaluation of the Board, its Committees, and individual Directors, and reviews its implementation and compliance. It devises and reviews the Board Diversity Policy, examines succession policies and plans for Directors and Senior Management Personnel, and decides on extending or continuing the term of appointment of Independent Directors based on performance evaluation reports.

During the year, all the recommendations made by the Committee were accepted by the Board. The Chairperson of the Committee was present at the last AGM held on July 29, 2025. The Committee met two (2) times during the financial year on April 30, 2025 and January 28, 2026.

The composition of the Committee and detail of meetings attended by the Members during the financial year 2025-26 are:

Sr. No.	Name of Director	Category	Designation	No. of Meetings Attended
1.	Mrs. Aruna Rajendra Bhinge	Non-Executive / Independent	Chairperson	2/2
2.	Mr. Mukesh Dahyabhai Patel	Non-Executive / Non-Independent	Member	2/2
3.	Mrs. Tara Subramaniam	Non-Executive / Independent	Member	2/2
4.	Mr. Sheo Prasad Singh*	Non-Executive / Independent	Member	1/1

* Effective from April 30, 2025, there has been a change in the constitution of the Committee. Mr. Sheo Prasad Singh, Non-Executive Independent Director, resigned and therefore ceased to be a member of the Committee.

The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee. The minutes of the meetings of the Committee were circulated to all members of the Board for their review.

Nomination and Remuneration Policy

The Nomination and Remuneration Policy of the Company is performance driven and is designed to motivate employees, recognize their achievements, and promote excellence in performance. Overall, the policy provides guidance on:

- 1) Selection and nomination of Directors to the Board of the Company;
- 2) Appointment of Key Managerial Personnel and Senior Management Personnel of the Company; and
- 3) Remuneration of Directors, Key Managerial Personnel and other employees.

The Policy is available on Company's website at <https://www.punjabchemicals.com/wp-content/uploads/2018/07/Nomination-and-Remuneration-Policy.pdf>.

Performance Evaluation of the Board /Committees / Directors

Pursuant to the provisions of the Act and SEBI Listing Regulations, the Company follows a structured assessment process for evaluating the performance of the Board, its Committees, and individual Directors, including the Chairman, based on criteria approved by the Nomination and Remuneration Committee. The Chairman of the Board leads the performance evaluation exercise, with assistance from the Company Secretary. The evaluation is based on parameters such as the level of participation of Directors, their understanding of roles and responsibilities, awareness of the Company's business and competitive environment, and insight into strategic issues and challenges. The performance of Independent Directors is assessed with specific reference to the time devoted, strategic guidance provided, contribution to policy decisions, application of external expertise, and the exercise of independent and objective judgment in Board deliberations.

The evaluation of the Board as a whole considers factors such as its composition, the process of appointment of Directors, the shared understanding of roles and responsibilities, the quality and timeliness of Board materials, and the effectiveness of strategic direction, advice, and decision-making. The Board also reviews actions taken based on the outcomes of previous evaluation exercises. Each Committee undertakes a self-assessment based on the extent to which it has fulfilled its key responsibilities as outlined in its terms of reference. Individual Directors are evaluated on criteria including attendance, active participation, contribution, and the ability to exercise independent judgment.

For the year ended March 31, 2026, the evaluation exercise was conducted internally and covered the performance of the Board, its Committees, and peer evaluation of Directors. Evaluation forms were circulated to all Board members, and each Director provided feedback through completed assessments. The resulting scores and qualitative inputs were reviewed by the Nomination and Remuneration Committee and subsequently presented to the Board by the Chairperson. Feedback on Committee performance was shared by the respective Committee Chairpersons with their members. The overall outcomes and key action points were discussed by the Board in May 2026, with the Chairman of the Board and the Chairperson of the Nomination and Remuneration Committee briefing the Board on the results. Additionally, the Chairman held individual meetings with each Director as part of the self-appraisal and peer evaluation process, further strengthening the effectiveness and transparency of the evaluation framework.

Details of Remuneration paid to Directors

The Directors' remuneration and sitting fees paid in respect of the Financial Year 2025-26 are given below:

(Amount in Lakhs)

Name of Director	Sitting fees for Board /Other Committees Meetings	Salaries and other perquisites benefits	Other Commission / Professional Fees	Total
Mr. Mukesh Dahyabhai Patel	2.25	-	18.00	20.25
Mr. Shalil Shashikumar Shroff	-	339.00	500.00	839.00
Capt. Surjit Singh Chopra (Retd.)	0.75	-	2.50	3.25

REMUNERATION OF DIRECTORS

The Board, based on the recommendation of the Nomination and Remuneration Committee, determines the remuneration of Directors and senior management. Remuneration is structured in accordance with the Company's objectives and the Nomination and Remuneration Policy, ensuring it reflects individual responsibilities, performance, and the need to attract and retain talented professionals.

Remuneration to the Managing Director

The Board / Nomination and Remuneration Committee are empowered to determine the remuneration of the Managing Director, contingent upon approval from the members and any other necessary approvals, as required. The remuneration structure includes components such as salary, commission, perquisites, and allowances, all in accordance with applicable laws and regulations.

Annual increments are determined by the Board based on recommendations from the Nomination and Remuneration Committee. These increments are primarily influenced by the individual's contribution to the Company's growth and financial performance. Additionally, factors such as industry trends and inflation are also taken into account during the decision-making process.

During the year under review, the remuneration paid to the Managing Director was in compliance with the provisions set forth in the Act, and as approved by the shareholders.

Remuneration to Non-Executive Directors

Non-Executive Directors are entitled to a sitting fee of ₹15,000 for each meeting of the Board or its committees they attend. Additionally, they may receive a commission if the Company has sufficient and adequate Net Profit available. The commission is determined by the Board, taking into account the norms, roles, and contributions of each Director. The allocation of the commission is decided by the Chairman of the Company and requires approval from the Board of Directors. The Company may pay a commission not exceeding 1% of the net profit to all Non-Executive Directors. The commission for the financial year ending March 31, 2026, will be paid to the Non-Executive/ Independent Directors, subject to tax deductions, after receiving approval from the members at the forthcoming Annual General Meeting and the adoption of the financial statements by the Members. The criteria for making payments to Non-Executive Directors are available on the Company's website and can be accessed through the following link: www.punjabchemicals.com/wp-content/uploads/2026/04/Criteria-for-making-payment-to-Non-Executive-Directors.pdf.

The Company has not granted any stock options to the Directors.

(Amount in Lakhs)

Name of Director	Sitting fees for Board /Other Committees Meetings	Salaries and other perquisites benefits	Other Commission / Professional Fees	Total
Mr. Vijay Dilbagh Rai	2.10	-	18.00	20.10
Mrs. Aruna Rajendra Bhinge	2.10	-	10.50	12.60
Mr. Avtar Singh	0.60	-	2.00	2.60
Mr. Shivshankar Shripal Tiwari	1.20	-	75.00	76.20
Mrs. Tara Subramaniam	3.00	-	8.00	11.00
Mr. Kapil Kumar Mehan (w.e.f. April 30, 2025)	0.90	-	2.50	3.40
Mr. Suresh Arora, IPS (Retd.) (w.e.f. April 30, 2025)	0.90	-	2.50	3.40
Mr. Sheo Prasad Singh (up to April 30, 2025)	0.45	-	0.00	0.45
Total	14.25	339.00	639.00	992.25

Notes:

- There are no stock options, fixed component and performance linked incentives along-with the performance criteria to the Directors.
- The commission of ₹74 lakh has been approved for the Non-Executive Directors for the financial year 2025-26. This amount will be distributed among them following the adoption of the financial results at the upcoming Annual General Meeting, and it has been included in the table above.
- The Board has recommended and approved a commission of ₹500 lakh to Mr. Shalil Shashikumar Shroff, the Managing Director of the Company, for the financial year 2025-26, in accordance with the remuneration approved by the shareholders of the Company. This commission will be paid and distributed during the financial year 2026-27 and is included in the overall remuneration of the Managing Director.
- The Company has no pecuniary relationship / transaction with any of the Non-Executive Directors other than those disclosed elsewhere in this Annual Report.

Service Contracts, Severance fees and notice period for the Managing Director

Name	Period of Contract	Severance fees / notice period
Mr. Shalil Shashikumar Shroff, Managing Director	5 years from January 15, 2024 to January 14, 2029 and remuneration for a period of three (3) years from January 15, 2024 to January 14, 2027.	The contract may be terminated by either party by giving the other party ninety days' notice in writing or such shorter notice as may be mutually agreed between the Managing Director and the Company.

Stakeholders Relationship Committee

As of March 31, 2026, the Stakeholders Relationship Committee comprises four (4) Directors of which, one (1) Member is Executive Director, one Member is an Independent Director and the two (2) Members are Non-Executive Non-Independent Director. The Chairperson of the Committee is Non-Executive Non-Independent Director.

The Committee's primary role is to oversee and address the grievances of the Company's security holders and ensure statutory compliance. Its responsibilities include resolving shareholder complaints related to transfer or transmission of securities, non-receipt of annual reports, dividends, and notices, as well as the issuance of new or duplicate share certificates. The Committee also monitors the timely payment of dividends, the effective exercise of shareholder voting rights, and compliance with the transfer of unclaimed amounts to the Investor Education and Protection Fund ("IEPF"). In addition, it reviews and recommends measures to enhance the services provided by the Registrar and Share Transfer Agents ("RTA"), with the aim of improving investor satisfaction and reducing pending grievances.

During the financial year 2025-26, four (4) Committee meetings were held on April 30, 2025, July 28, 2025, November 3, 2025 and January 28, 2026.

The composition of the Committee and detail of meetings attended by the Members during the financial year 2025-26 are:

Sr. No.	Name of Director	Category	Designation	No. of Meetings Attended
1.	Mr. Mukesh Dahyabhai Patel	Non-Executive / Non-Independent	Chairperson	4/4
2.	Mr. Shalil Shashikumar Shroff	Executive / Non-Independent	Member	4/4
3.	Mr. Vijay Dilbagh Rai	Non-Executive / Non-Independent	Member	4/4
4.	Mrs. Tara Subramaniam	Non-Executive / Independent	Member	4/4

The Chairperson of the Committee was present at the last AGM held on July 29, 2025.

Name, designation and address of Compliance Officer

Ms. Rishu Chatley

Company Secretary and Compliance Officer
Punjab Chemicals and Crop Protection Limited
Registered Office: Milestone 18, Ambala Kalka Road
Village & PO Bhankharpur, Derabassi
District SAS Nagar (MOHALI), Punjab -140201
Tel: 01762- 280086, 522250
Email: investorhelp@punjabchemicals.com

The details of shareholders' complaints received and disposed off during the year under review are as follows:

Particulars	Number of Complaints
Pending at the beginning of the financial year	1
Received during the financial year	1
Disposed of during the financial year	2
Pending at the end of the financial year	0

The complaints were majorly relating to IEPF, dividend, etc.

OTHER COMMITTEES

a) Risk Management Committee

As of March 31, 2026, the Risk Management Committee comprises four (4) Directors, of whom two are Non-Executive/Non-Independent Directors, one (1) is an Executive Director, and one (1) is an Independent Director. The Chief Executive Officer ("CEO") of the Company is also a member of the Committee. The Chairperson of the Committee is an Executive Director.

The role of the Risk Management Committee includes implementing risk management systems and frameworks, reviewing the Company's financial and risk management policies, and assessing risks along with procedures to minimize them.

The terms of reference are aligned with Regulation 21(4) read with Part D of Schedule II to the SEBI Listing Regulations and the Act. These include formulating a detailed risk management policy that provides a framework for identifying internal and external risks faced by the Company, including financial, operational, sectoral, sustainability (particularly ESG-related risks), information technology, cybersecurity, and any other risks as determined by the Committee. The policy also outlines measures for risk mitigation, including systems and processes for internal control, as well as a business continuity plan.

Further, the Committee ensures that appropriate methodologies, processes, and systems are in place to monitor and evaluate business risks. It monitors and oversees the implementation of the risk management policy and evaluates the adequacy of risk management systems. The Committee periodically reviews the policy, at least once every two years, considering changing industry dynamics and increasing complexity. It keeps the Board of Directors informed about the nature and content of its discussions, recommendations, and actions to be taken, if any.

During the financial year 2025-26, three (3) Committee meetings were held on July 28, 2025, November 3, 2025 and March 25, 2026.

The composition of the Committee and details of meetings attended by the Members during the financial year 2025-26 are:

Sr. No.	Name of Director	Category	Designation	No. of Meetings Attended
1.	Mr. Shalil Shashikumar Shroff	Executive / Non-Independent	Chairperson	3/3
2.	Mr. Mukesh Dahyabhai Patel	Non-Executive / Non-Independent	Member	3/3
3.	Mr. Shivshankar Shripal Tiwari	Non-Executive / Non-Independent	Member	3/3
4.	Mrs. Tara Subramaniam	Non-Executive / Independent	Member	3/3
5.	Mr. Vinod Kumar Gupta	Chief Executive Officer	Member	3/3

The composition of the Committee is in compliance with the requirements of Regulation 21 of the SEBI Listing Regulations. The Company Secretary acts as the Secretary to the Committee.

b) Corporate Social Responsibility ("CSR") Committee

As of March 31, 2026, the CSR Committee comprises of four (4) Directors, of whom 2 (two) Members including the Chairperson are Non-Executive Non-Independent, 1 (one) is an Executive Director and 1 (one) is an Independent Director.

The terms of reference for the CSR Committee include formulating, reviewing, amending, and recommending the CSR Policy to the Board for approval. The Committee is also responsible for reviewing the annual CSR action plan and budget, and providing its recommendations to the Board for approval. In addition, it monitors CSR programs from time to time in accordance with the CSR Policy and updates the Board to assist in overseeing their implementation. Furthermore, the Committee reviews impact assessments of CSR programs and reports its findings to the Board as part of the CSR Report.

During the financial year under review, one (1) meeting of the Committee was held on April 30, 2025.

The composition of the Committee and details of meetings attended by the Members during the financial year 2025-26 are:

Sr. No.	Name of Director	Category	Designation	No. of Meetings Attended
1.	Mr. Mukesh Dahyabhai Patel	Non-Executive / Non-Independent	Chairperson	1/1
2.	Mr. Shalil Shashikumar Shroff	Executive / Non-Independent	Member	1/1
3.	Capt. Surjit Singh Chopra (Retd.)	Non-Executive / Non-Independent	Member	1/1
4.	Mrs. Aruna Rajendra Bhinge	Non-Executive / Independent	Member	1/1

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The same is displayed on the website of the Company at <https://www.punjabchemicals.com/wp-content/uploads/2023/03/CSR-Policy.pdf>. A Report giving details of the CSR activities undertaken by the Company during the year along with the amount spent on CSR activities forms a part of the Board's Report.

The composition of the Committee is in compliance with the requirements of Section 135 of the Act. The Company Secretary acts as the Secretary to the Committee.

Particulars of Senior Management including the changes therein since the close of previous Financial Year

Details of Senior Management Personnel as on March 31, 2026 as defined under Regulation 16(1) (d) of SEBI Listing Regulations are as follows:

1. Mr. Shalil Shashikumar Shroff, Managing Director
2. Mr. Vinod Kumar Gupta, Chief Executive Officer
3. Mr. Vikash Khanna, Chief Financial Officer (upto September 15, 2025)
4. Mr. Devender Gupta, Chief Financial Officer (w.e.f December 16, 2025)
5. Ms. Rishu Chatley, Company Secretary and Compliance Officer
6. Mr. Paramjeet Singh, Assistant Vice President (Works)
7. Mr. Mahesh Shukla, General Manager (Works)
8. Mr. Yash Vardhan Tripathi, Assistant Vice President HR and Admin

During the financial year under review, Mr. Vikash Khanna resigned from the position of Chief Financial Officer with effect from September 15, 2025. Subsequently, Mr. Devender Gupta was appointed as the Chief Financial Officer of the Company with effect from December 16, 2025.

GENERAL BODY MEETINGS

Location and Time of the last three Annual General Meetings and Special Resolutions passed

Year	Location and Time	Day and Date	Special Resolutions
2022-23	Registered Office of the Company at - Milestone 18, Ambala Kalka Road, Bhankharpur, Derabassi, District SAS Nagar (MOHALI), Punjab -140201 (Deemed Venue) through Video Conferencing (VC) / Other Audio Visual Means (OAVM) facility at 10:00 am.	Friday, August 4, 2023	1. Continuation of directorship of Capt. Surjit Singh Chopra (Retd.) (DIN: 00146490) as a Non-Executive Non-Independent Director of the Company, who has already attained the age of 75 years.

Year	Location and Time	Day and Date	Special Resolutions
2023-24	Registered Office of the Company at - Milestone 18, Ambala Kalka Road, Bhankharpur, Derabassi, District SAS Nagar (MOHALI), Punjab -140201 (Deemed Venue) through Video Conferencing (VC) / Other Audio Visual Means (OAVM) facility at 10:00 am.	Friday, August 2, 2024	- Continuation of Directorship of Mr. Mukesh Dahyabhai Patel (DIN: 00009605) as Non-Executive Non-Independent Director of the Company beyond the age of 75 years. - Continuation of Directorship of Mr. Vijay Dilbagh Rai (DIN: 00075837) as Non-Executive Non-Independent Director of the Company beyond the age of 75 years.
2024-25	Registered Office of the Company at - Milestone 18, Ambala Kalka Road, Bhankharpur, Derabassi, District SAS Nagar (MOHALI), Punjab -140201 (Deemed Venue) through Video Conferencing (VC) / Other Audio Visual Means (OAVM) facility at 10:00 am.	Tuesday, July 29, 2025	- Continuation of directorship of Capt. Surjit Singh Chopra (Retd.) (DIN: 00146490) as a Non-Executive Non- Independent Director of the Company beyond the age of 75 years. - Appointment of Mr. Kapil Kumar Mehan (DIN: 01215092) as an Independent Director of the Company for the first term of five consecutive years with effect from April 30, 2025 upto April 29, 2030. - Appointment of Mr. Suresh Arora (DIN: 10641466) as an Independent Director of the Company for the first term of five consecutive years with effect from April 30, 2025 upto April 29, 2030.

EXTRAORDINARY GENERAL MEETING

No extraordinary general meeting of the members was held during the year

Any special resolution passed last year through postal ballot

During the last financial year, the Company has passed two special resolutions through postal ballot through Remote e-voting.

Sr. No.	Resolution	Voting in favour of the resolution (%)	Voting against the resolution (%)
1.	Re-appointment of Mrs. Aruna Rajendra Bhinge (DIN: 07474950) as a Non-Executive and Independent Director to hold office for a second term of five consecutive years with effect from April 1, 2025 till March 31, 2030.	98.23	1.77
2.	Appointment of Mr. Shivshankar Shripal Tiwari (DIN: 00019058), Non-Executive and Non-Independent Director as an advisor of the Company for a period of three years with effect from January 1, 2025 to December 31, 2027 and payment of advisory service fees.	99.95	0.05

Procedure for Postal Ballot

- In compliance with Regulation 44 of the SEBI Listing Regulations and Sections 108, 110 and other applicable provisions of the Act read with the Rules made thereunder and General Circulars issued by Ministry of Corporate Affairs, the postal ballot notice dated January 28, 2025 was dispatched on February 3, 2025 containing resolutions together with the explanatory statement and remote e-voting instructions through electronic mode to all those Members whose e-mail address were registered with the Company/Registrar and Share Transfer Agent ("RTA") or Depository/ Depository Participants and whose names appeared in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on January 24, 2025. The Company also published notice in the newspapers declaring details of completion of dispatch on February, 4, 2025 as mandated under the Act and applicable rules.
- Members were requested to cast their vote only through remote e-voting facility provided by Central Depository Services (India) Limited ('CDSL') between Wednesday, February 5, 2025, at 9:00 A.M. IST and Thursday, March 6, 2025, at 5.00 P.M. IST (both days inclusive) on the resolutions mentioned in the postal ballot notice.
- The Scrutinizer, Mr. P. S. Dua (Membership No. 4552, COP No. 3934), Practising Company Secretary, Ludhiana submitted his report on March 7, 2025, after completion of the scrutiny.

4. The result of the postal ballot was announced by the Company Secretary & Compliance Officer duly authorised by the Chairman for this purpose on March 7, 2025. The last date of remote e-voting i.e. March 6, 2025, was taken as the date of passing the resolutions.
 5. The result of the postal ballot along with the scrutinizer's report was displayed at the registered office of the Company, hosted at the Company's website at www.punjabchemicals.com and on the website of CDSL at www.evotingindia.com and was also communicated to the Stock Exchanges.
- on the Company's official website for easy access by shareholders and other stakeholders.
- b. The Company promptly disseminates its un-audited quarterly, half-yearly, and audited quarterly and annual financial results to the BSE Limited ("BSE") and the National Stock Exchange of India Ltd. ("NSE") immediately after approval and acknowledgment by the Board of Directors. These results are also published in The Financial Express (all editions in English), Jansatta (Chandigarh Edition in Hindi), and Rozana Spokesman (Chandigarh Edition in Punjabi).

Details of special resolution proposed to be transacted through postal ballot

As on the date of this Annual Report, no special resolution is proposed to be transacted through postal ballot.

MEANS OF COMMUNICATION

- a. All price-sensitive information and matters material to shareholders are promptly disclosed to the respective Stock Exchanges where the Company's securities are listed. Submissions are made through the Exchanges' electronic filing systems to ensure timely and accurate communication. Additionally, such information is uploaded
- c. Quarterly results, shareholding patterns, quarterly/half-yearly/annual compliances, and all other material events or information as required under Regulation 30 of the SEBI Listing Regulations are filed electronically with NSE via the NSE Electronic Application Processing System (NEAPS), BSE via the BSE Online Portal. These communications are also posted on the Company's website: www.punjabchemicals.com. Statutory notices, financial results, and presentations made to institutional investors and analysts after declaration of quarterly, half-yearly, and annual results are similarly submitted to NSE and BSE and uploaded on the website.
- d. Management Discussion and Analysis forms an integral part of the Annual Report.

GENERAL SHAREHOLDER INFORMATION

a) Annual General Meeting

Date, Time and Venue :	Friday, July 31, 2026 at 2:30 P.M. (IST) at Milestone 18, Ambala Kalka Road, Village & PO Bhankharpur, Derabassi, District SAS Nagar (MOHALI), Punjab -140201 (Deemed Venue) through Video Conferencing ("VC") /Other Audio-Visual Means ("OAVM") in accordance with the General Circulars issued by the MCA.
Financial Year :	2025-26
Record Date :	Friday, July 17, 2026
Dividend payment date :	The Dividend, if approved by the shareholders at AGM, will be paid within stipulated time.

b) Listing on Stock Exchanges

1. BSE Limited (BSE), 1st Floor, New Trading Wing, P.J. Towers, Dalal Street, Fort, Mumbai - 400 001. (Scrip Code-506618)	2. National Stock Exchange of India Limited (NSE), Exchange Plaza, Bandra Kurla Complex Bandra (East), Mumbai - 400 051. (Scrip Code-PUNJABCHEM)
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The Company has paid the Annual Listing fees to the Stock Exchanges.

Demat ISIN Number in National Securities Depositories Limited & Central Depository Service (India) Limited: **INE277B01014**

- c) During the financial year ended March 31, 2026, securities of the Company have not been suspended from trading on any of the stock exchanges where they are listed.

d) Registrar and Share Transfer Agent (RTA)

M/s Alankit Assignments Ltd., 4E/2, Jhandewalan Extension, New Delhi-110055 is the Registrar and Share Transfer Agent "RTA" of the Company.

e) Transfer of Shares to Ministry of Corporate Affairs-Investor Education and Protection Fund ("IEPF") Authority

The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2017-18 to the Investor Education and Protection Fund established by the Central Government. Details of dividends so transferred to IEPF Authority are available on the website of IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.

Pursuant to the provisions of Sections 124 and 125 of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, any dividend which remains unpaid or unclaimed for a period of seven consecutive years from the date of its transfer to the Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, in accordance with the aforesaid provisions, the corresponding equity shares in respect of which dividend has remained unpaid or unclaimed for seven consecutive years are also liable to be transferred to the Demat Account of the IEPF Authority. Accordingly, the unpaid/unclaimed dividend for the financial year 2018-19, along with the corresponding equity shares, is due to be transferred to the IEPF Authority in September 2026, upon completion of the stipulated period of seven (7) consecutive years. Members who have not yet claimed their dividend for the aforesaid financial year are requested to lodge their claims with the Company or its Registrar and Transfer Agent ("RTA") at the earliest, in order to avoid transfer of the said dividend and corresponding equity shares to the IEPF. It is further informed that the Company has already dispatched individual notices to the concerned Members and has also published the requisite notice(s) in newspapers, in compliance with the applicable statutory requirements, thereby providing an opportunity to claim such unpaid/unclaimed dividend and corresponding shares prior to the initiation of the transfer process to the IEPF Authority.

The dividends for the financial years 2019-20 to 2024-25 remain unpaid/unclaimed and are not yet due for transfer to the Investor Education and Protection Fund. Members are advised to claim these amounts at the earliest to ensure timely receipt and to prevent their transfer to the Investor Education and Protection Fund. The total amount of unclaimed dividend has been uploaded on the website of the Company at <https://www.punjabchemicals.com/dividend-shareholders-information/>.

f) Saksham Niveshak

The Investor Education and Protection Fund Authority, under the aegis of the Ministry of Corporate Affairs (MCA), launched Saksham Niveshak, a 100-day nationwide campaign from July 28, 2025 to November 6, 2025, with the objective of reducing the volume of unclaimed dividends and shares transferred to the IEPF Authority by encouraging investors to update their records and claim their rightful entitlements. Subsequently, a second phase of the campaign was also launched for a further period from April 1, 2026 to July 9, 2026. The Company remained committed to the objectives of these campaigns and actively encouraged the Shareholders to claim unclaimed dividends and shares prior to their transfer to the IEPF Authority, ensure timely updation of KYC details and bank account information with the Registrar and Share Transfer Agent, and opt for electronic modes of communication for prompt receipt of corporate communications. The Company continues to uphold the principles of transparency and investor protection in all its engagements with stakeholders.

g) Share Transfer Process

In terms of the SEBI Listing Regulations, shares of the Company can be transferred only in dematerialized form. Further, SEBI, vide its circular dated January 24, 2022, has mandated all listed companies to issue securities in dematerialized form while processing service requests such as issue of duplicate certificates, claims from the Unclaimed Suspense Account, endorsement, sub-division or splitting of securities certificates, consolidation of securities certificates or folios, transmission, and transposition. In view of this, and to eliminate risks associated with physical shares while availing the benefits of dematerialization, members are advised to convert their physical shareholdings into dematerialized form.

SEBI had earlier introduced a special time-bound window from July 7, 2025 to January 6, 2026, for re-lodgment of physical share transfer requests that were rejected or returned before April 1, 2019, to address legacy, non-disputed cases. To further facilitate investors in gaining rightful access to their securities, SEBI has opened another special window for transfer and dematerialization of physical securities that were sold or purchased prior to April 1, 2019. This window is available for a period of one year from February 5, 2026 to February 4, 2027, and applies to cases that were previously submitted but rejected or returned due to deficiencies in documentation, process, or other reasons. Eligible investors are encouraged to take advantage of this opportunity and have the shares transferred in their names.

During the year ended March 31, 2026, all matters relating to share transmission, issue of duplicate shares, name deletion, and other related activities were approved by the Share Transfer Committee within the prescribed timelines.

The Committee does not follow a fixed meeting schedule, and transactions are approved as and when they are received. A summary of such transactions is placed before the Board at its quarterly meetings. The Company has complied with the requirements of Regulation 40(9) of the SEBI Listing Regulations during the applicable period.

h) Secretarial Audit and Annual Secretarial Compliance Report

a. A Practising Company Secretary conducts a quarterly Reconciliation of Share Capital Audit to ensure that the total admitted capital is in line with the records maintained by National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL"), as well as with the total issued and

listed capital. The primary objective of this audit is to verify that the total issued and paid-up share capital corresponds with the aggregate of shares held in both physical and dematerialized forms with NSDL and CDSL. This process ensures that the Company's share capital is accurately reconciled across various registers and depositories.

b. Mr. P. S. Dua of M/s. P. S. Dua & Associates, Practising Company Secretaries, has conducted the Secretarial Audit of the Company for the financial year 2025-26. The Secretarial Audit Report confirms that the Company has complied with all applicable provisions of the Act, the rules made thereunder, its Memorandum and Articles of Association, and the SEBI Listing Regulations. The said report forms an integral part of the Board's Report.

c. Pursuant to SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 8, 2019, the Company has obtained the Annual Secretarial Compliance Report from M/s. P. S. Dua & Associates, Practising Company Secretaries. The report confirms compliance with all applicable SEBI Regulations, circulars, and guidelines. It further states that there were no observations or adverse remarks during the year under review.

i) Distribution of Shareholding as on March 31, 2026

From-To Number of Shares	No. of Shareholders		No. of Shares	
	Number	%	Number	%
1-500	18,305	94.97	959,847	7.83
501-1000	498	2.58	361,793	2.95
1001-2000	219	1.14	311,816	2.54
2001-3000	106	0.55	257,581	2.10
3001-4000	31	0.16	106,552	0.87
4001-5000	20	0.10	89,131	0.73
5001-10000	47	0.24	341,288	2.78
10001 & above	50	0.26	9,834,177	80.20
TOTAL	19,276	100.00	12,262,185	100.00

j) Distribution of shareholding as on March 31, 2026

Sr. No.	Category	No. of Shares Held	Percentage of Shareholding (%)
A.	Shareholding of Promoter and Promoter Group		
1)	Indian	4,811,390	39.24
2)	Foreign	-	-
	Total Shareholding of Promoter and Promoter Group	4,811,390	39.24
B.	Public Shareholding		
1)	Institution:		
a)	Mutual Funds	786	0.01
b)	Financial Institutions/Banks	29	0.00
c)	Foreign Portfolio Investors	368,953	3.01
d)	Alternate Investment Funds	74,804	0.61
	Sub total (B) (1)	444,572	3.63
2)	Non-Institutions		
a)	Private Corporate Bodies	3,983,639	32.48
b)	Directors & their Relatives	40,369	0.33
c)	Indian Public	2,457,559	20.04
d)	NRIs	108,940	0.89
e)	Trust	16,724	0.14
f)	HUF	189,951	1.55
g)	IEPF	100,056	0.82
h)	Clearing member	4,361	0.03
i)	Unclaimed or Suspense or Escrow Account	10,225	0.08

Sr. No.	Category	No. of Shares Held	Percentage of Shareholding (%)
j)	LLP	94,399	0.77
	Sub Total (B) (2)	7,006,223	57.13
	Total Public Shareholding (B)(1)+(B)(2)	7,450,795	60.76
	TOTAL	12,262,185	100.00

k) Dematerialization of shares and liquidity

The Company's shares are compulsorily traded in dematerialised form and are available for trading on both the depositories viz. NSDL and CDSL.

Percentage of shares held in:

Physical form: 0.71

Electronic form with NSDL: 89.61

Electronic form with CDSL: 9.68

The Company's shares are regularly traded on the BSE and NSE.

l) Outstanding Global Depository Receipts or American Depository Receipts or warrants or any other convertible instruments, conversion dates and likely impact on equity

None

m) Commodity price risk or foreign exchange risk and hedging activities

The export of finished goods significantly exceeds the import of raw materials and other materials, creating a natural hedge for the Company. As a result, the Company has not engaged in any hedging activities, nor has it participated in commodity price or foreign exchange risk management during the financial year 2025-26.

n) Plant locations

Indian manufacturing locations:

Agro Chemicals Division: Milestone-18, Ambala Kalka Road, Village & PO Bhankharpur Derabassi, District SAS Nagar (MOHALI), Punjab - 140201

Specialty and Other Chemicals Division: Villages Kolimajra & Samalheri, PO Lalru, District SAS Nagar (MOHALI), Punjab - 140501

Industrial Chemicals Division: Site No. I & II, H.A. Ltd., Compound Pimpri, Pune, Maharashtra - 411019

Overseas Subsidiaries: SD Agchem (Europe) NV Uitbreidingstraat 84/B3, 2600, Berchem, Antwerp, Belgium

o) Address for Correspondence

1. Investor Correspondence: For shares held in physical form Alankit Assignment Ltd, 4E/2, Jhandewalan Extension, New Delhi-110055, Tel: 011-42541234, 011- 42541953 Fax: 011-23552001 E-mail: info@alankit.com

For shares in Demat form to the Depository Participants viz. NSDL and CDSL

2. Any query on Annual Report/other matters relating to the Company

Registered Office & Works: Milestone-18, Ambala Kalka Road, Village & PO Bhankharpur, Derabassi, District SAS Nagar (MOHALI), Punjab - 140201 Tel: 01762-280086/280094, Fax: 01762-280070 E-mail: info@punjabchemicals.com

Corporate Office: Plot No. 645-46, 5th Floor, Oberoi Chambers II, New Link Road, Andheri (W), Mumbai - 400053. Phone: 022-26747900 (30 lines), Fax: 022-26736013, 26736193 Email: enquiry@punjabchemicals.com

3. Compliance Officer

Ms. Rishu Chatley, Company Secretary and Compliance Officer

4. Exclusive e-mail ID for the grievance redressal mechanism: investorhelp@punjabchemicals.com

5. Corporate website: www.punjabchemicals.com

6. Nomination Facility: Members are allowed to nominate any person to whom they desire to have the shares transmitted in the event of death. Desirous Members may approach the Company or to the Registrar & Share Transfer Agents of the Company, for the shares held in physical form and to the respective Depository Participant for shares held in demat form, for availing the same facility.

p) Credit Rating

During the year under review, there was no change in the credit ratings of the Company from any of the credit rating agencies. The ratings were reaffirmed, with Long-Term Debt rated at CARE BBB+ (Stable) and CRISIL BBB+/Stable, and Short-Term Debt rated at CARE A2.

OTHER DISCLOSURES
a) Related Party Disclosures

All related party transactions entered into by the Company during the financial year 2025-26 were conducted on an arm's length basis and in the ordinary course of business, in full compliance with the provisions of the Act, the SEBI Listing Regulations, and the applicable Industry Standards on minimum information to be placed before the audit committee and shareholder in respect of related party transactions. The Audit Committee reviewed all

such transactions with adequate supporting details, including the nature of the transaction, related party particulars, material terms, tenure, value, turnover impact, and, where applicable, financial terms, justification for the transaction, and valuation/external reports, in accordance with the prescribed minimum information requirements. Appropriate disclosures, as mandated under the applicable Accounting Standards (IND AS 24) and the SEBI Listing Regulations, have been made in the Financial Statements. For detailed related party disclosures, refer to Note No. 43 of the Standalone and Consolidated Financial Statements. The policy on related party transactions, as approved by the Board, is available on the Company's website at <https://www.punjabchemicals.com/wp-content/uploads/2026/03/Related-Party-Policy.pdf>. Further, the Company has not entered into any material significant related party transaction which has potential conflict with the interests of the Company at large.

In addition, as per the SEBI Listing Regulations, your Company has also submitted disclosures of RPTs on a half yearly basis in the specified format to stock exchanges and the same is also available on the website of the Company at <https://www.punjabchemicals.com/financial-results/>.

b) Details of Statutory Compliance, Strictures and Penalties

The Company has fully complied with the requirements set forth by the Stock Exchanges, SEBI, and other statutory authorities regarding capital market regulations over the last three years. During this period, no strictures or penalties have been imposed on the Company by any of these authorities.

c) Vigil Mechanism / Whistle Blower Policy

In compliance with Section 177 of the Act and Regulation 22 of the SEBI Listing Regulations, the Company has implemented a Vigil Mechanism / Whistle Blower Policy to provide a formal channel for Directors, employees, and external stakeholders to report concerns regarding unethical behaviour, potential fraud, or violations of the Company's Code of Conduct and Ethics Policy. The policy ensures adequate safeguards against victimization of individuals making protected disclosures in good faith and provides direct access to the Chairperson of the Audit Committee or the designated Vigilance Officer in exceptional cases. This mechanism supplements the normal management hierarchy and reinforces the Company's commitment to transparency, integrity, and ethical business practices. All employees and stakeholders are encouraged to use this platform to raise genuine concerns, thereby fostering a responsible and ethical work environment. The policy is available on the Company's website at <https://www.punjabchemicals.com/wp-content/uploads/2025/11/Whistle-Blower-Policy-PCCPL.pdf> and no personnel of the Company have been denied access to the Audit Committee. During the financial year,

the Company did not receive any complaint under the Vigil Mechanism / Whistle Blower Policy.

- d)** The financial results of the Company for all quarters and annual periods have been prepared in accordance with the recognition and measurement principles set forth in Ind-AS.

e) Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

During the financial year, no funds were raised through preferential allotment or qualified institutions placement.

f) Certificate from a Company Secretary in Practice Regarding Non-Disqualification of Directors

The Company has obtained the requisite certificate from M/s. P.S. Dua & Associates, Company Secretary in Practice, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors by the Board, Ministry of Corporate Affairs, or any other statutory authority.

g) Total fees for all services paid by the listed entity and its subsidiaries, to the Statutory Auditor (Standalone payment)

The detail of payment of total fees to the Statutory Auditor is as under:

	₹ in Lakh
Statutory Audit	33
Limited Review	16
Total	49

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

The detailed disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 forms part of the Board's Report. Further, during the year under review, no complaints were received under the Company's Policy on Prevention and Redress of Sexual Harassment at Workplace.

- i)** The policy for determining 'material' subsidiaries can be accessed at <https://www.punjabchemicals.com/wp-content/uploads/2018/07/Policy-for-determining-Material-Subsidiary.pdf>. Further, as on March 31, 2026, none of the subsidiary was a material subsidiary of the Company.

j) Mandatory Requirements

The Company has complied with all the mandatory requirements of the SEBI Listing Regulations relating to Corporate Governance.

k) Non Mandatory requirements

The Company has complied with the following non mandatory requirements of the SEBI Listing Regulations relating to Corporate Governance. The status of compliance with non-mandatory requirements listed in Regulation

27(1) read with Part E of Schedule II of the SEBI Listing Regulations are as under:

- i. Chairman of the Board:** The Chairman of the Company is a Non-Executive Non-Independent Director.
- ii. Shareholder Rights:** The Company does not send the half yearly results to the households of the shareholders of the Company. However they are published in English newspapers circulated all over India and in a Hindi and Punjabi newspaper (circulated in Punjab and Chandigarh) and are also posted on the website of the Company www.punjabchemicals.com.
- iii. Qualified Opinion:** Not Applicable.

iv. Reporting of Internal Auditors: The Internal Auditor reports to the Managing Director and also has direct access to the Chairperson, Audit Committee.

- l) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year**

During the financial year, the Board has accepted all recommendations of the Board Committees, as required.

- m) Disclosure by the Company and its subsidiaries of loans and advances in the nature of loans to firms/companies in which Directors are interested**

Necessary disclosures relating to loans and advances in the nature of loans to firms/companies in which Directors are interested are provided in the financial statements in Note No.43

- n) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries**

During the period under review, the Company does not have any material subsidiary.

- o) Market Capitalisation and Price-Earnings Ratio**

	As on March 31, 2026	As on March 31, 2025
a. Closing Price (BSE)	886.15	929.25
b. Market Capitalisation (₹ in Crore)	1,086.61	1,139.46
c. Price-Earnings Ratio	17.68	28.65

- p) Disclosures with respect to Demat Suspense Account/Unclaimed Suspense Account**

Pursuant to Regulation 39(4) read with Schedule VI of the SEBI Listing Regulations, the Company reports the following details in respect of equity shares lying in the suspense accounts:

Sr. No.	Particulars	No. of Members	No. of shares
(i)	Aggregate number of members and the outstanding shares lying in the unclaimed suspense account at the beginning of the year as on April 1, 2025.	222	10,260
(ii)	Number of members who approached the Company for transfer of shares from the Unclaimed Suspense Account during the year.	1	35
(iii)	Number of members to whom shares were transferred from Suspense Account during the year.	1	35
(iv)	Aggregate number of members and the outstanding shares lying in the unclaimed suspense account at the end of the year as on March 31, 2026	221	10,225

The voting right on these outstanding shares (lying in the suspense account) shall remain frozen till the rightful owner of such shares claim the shares.

Further no dividend has been claimed on the aforementioned shares by the respective members for seven consecutive years, consequently, these shares, along with the corresponding unpaid or unclaimed dividends, are also liable to be transferred to the Investor Education and Protection Fund Authority under the relevant provisions of the Act, and the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2017, along with the unclaimed dividend FY 2018-19. The company has also dispatched individual notices to these members and published the requisite notice(s) in newspapers, thereby providing an opportunity to claim such unpaid/unclaimed dividends and corresponding shares prior to initiating the transfer process to IEPF Authority.

q) Information pursuant to clause 5A of paragraph a of part a of Schedule III of SEBI Listing Regulations

The information pursuant to Regulation 30, Paragraph 5A of Part A of Schedule III of the SEBI Listing Regulations can be viewed at the following link of Company's website <https://www.punjabchemicals.com/wp-content/uploads/2023/12/intimation30.pdf>.

CEO/CFO CERTIFICATION

In accordance with the requirements of Regulation 17(8) read with Part B of Schedule II of the SEBI Listing Regulations, a Certificate duly signed by Mr. Shalil Shashikumar Shroff, Managing Director, Mr. Vinod Kumar Gupta, Chief Executive Officer, and Mr. Devender Gupta, Chief Financial Officer, was placed before the Board of Directors along with the financial statements for the year ended March 31, 2026 at its meeting held on May 1, 2026, and forms part of this report. The Managing Director, The Chief Executive Officer and the Chief Financial Officer also give quarterly certificate on the financial results while placing the same before the Board in terms of the Regulation 33(2) of the SEBI Listing Regulations.

GENERAL

The Company has complied with the Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) of the SEBI Listing Regulations.

DECLARATION ON CODE OF CONDUCT

As per Clause D of Schedule V, in accordance with Regulation 34(3) of the SEBI Listing Regulations, the Members of the Board of Directors and Senior Management Personnel have confirmed their compliance with the Code of Conduct for the Board of Directors and Senior Management, as established by the Company, for the financial year ending March 31, 2026.

On behalf of the Board of Directors
Punjab Chemicals and Crop Protection Limited

Shalil Shashikumar Shroff
(DIN: 00015621)
(Managing Director)

Place: Mumbai
Date: May 1, 2026

Compliance Certificate

Pursuant to Regulation 17 (8) of SEBI Listing Regulations

We, Shalil Shashikumar Shroff, Managing Director, Vinod Kumar Gupta, Chief Executive Officer and Devender Gupta, Chief Financial Officer do hereby certify:

- a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) These Statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee that:
 - i) There has not been any significant changes in internal control over financial reporting during the year under review;
 - ii) There has not been any significant changes in accounting policies during the year under review; and
 - iii) There has not been any instances, during the year under review, of significant fraud of which we had become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Shalil Shashikumar Shroff

Managing Director
(DIN: 00015621)

Place: Mumbai
Date: May 1, 2026

Vinod Kumar Gupta

Chief Executive Officer

Place: Derabassi
Date: May 1, 2026

Devender Gupta

Chief Financial Officer

Place: Derabassi
Date: May 1, 2026

Corporate Governance Compliance Certificate

[Pursuant to Regulation 34(3) and Schedule V Para E of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members

Punjab Chemicals and Crop Protection Limited

(CIN: L24231PB1975PLC047063)

1. We have been approached by Punjab Chemicals and Crop Protection Limited ("Company") to examine the compliance with the conditions of corporate Governance by the Company, as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations"), as amended from time to time, for the financial year ended on March 31, 2026.

2. Management's Responsibility

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. The management shall devise adequate systems, internal controls and processes to monitor and ensure the same.

3. Our Responsibility

Our responsibility is limited to conduct an examination of the systems, internal controls and processes adopted by the Company and implementation thereof to monitor and ensure with the conditions of Corporate Governance and report thereon.

4. Opinion

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

5. Disclaimer

5.1 We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

5.2 The 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 **P. S. Dua & Associates**
(Company Secretaries)

P.S. Dua

FCS No. 4552

C. P. No.3934

Peer Review Certificate No. 1296/2021

UDIN: F004552H000253009

Place: Ludhiana

Date: May 1, 2026

Certificate of Non-Disqualification of Directors

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

To,
The Members of
Punjab Chemicals and Crop Protection Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Punjab Chemicals and Crop Protection Limited having CIN L24231PB1975PLC047063 (hereinafter referred to as 'the Company') and having registered office at Milestone 18, Ambala Kalka Road, Bhankharpur, Derabassi, District SAS Nagar (MOHALI), Punjab -140201 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of Director	DIN	Date of appointment in company
1.	Mr.Mukesh Dahyabhai Patel	00009605	February 19,1985
2.	Mr. Shalil Shashikumar Shroff	00015621	January 1, 1998
3.	Capt. Surjit Singh Chopra (Retd.)	00146490	August 18, 2004
4.	Mr. Vijay Dilbagh Rai	00075837	February 28, 1985
5.	Mrs. Aruna Rajendra Bhinge	07474950	May 29, 2018
6.	Mr.Kapil Mehan	01215092	April 30, 2025
7.	Mr.Suresh Arora	10641466	April 30, 2025
8.	Mr. Avtar Singh	00063569	November 11, 1996
9.	Mr. Shivshankar Shripal Tiwari	00019058	May 28, 2015**
10.	Mrs. Tara Subramaniam	07654007	August 3, 2023

** Shri Shivshankar Shripal Tiwari ceased to be the Whole-Time Director of the Company w.e.f May 28, 2015 and was appointed as an Additional Director on the same date i.e. May 28, 2015 by the Board of Directors and was regularized as Director in the 39th Annual General Meeting of the Company held on September 11, 2015.

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

For **P. S. Dua & Associates**
(Company Secretaries)

P.S. Dua

FCS No. 4552

C. P. No.3934

Place: Ludhiana
Date: May 1, 2026

Peer Review Certificate No. 1296/2021
UDIN: F004552H000252998

The background of the page is a solid light green color. A large, smooth, white curved line starts from the left edge, arches upwards and to the right, and then curves back down towards the left edge, creating a wide, shallow 'U' shape. The text 'FINANCIAL STATEMENTS' is centered in the upper half of the page, above the white curve.

FINANCIAL STATEMENTS

Independent Auditor's Report

To
The Members of
Punjab Chemicals and Crop Protection Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **Punjab Chemicals and Crop Protection Limited** (the "Company") which comprise the standalone balance sheet as at 31 March 2026, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition

See Note 2(j) and 27 to standalone financial statements

The key audit matter

The Company recognizes revenue from sales of products and services when control over goods is transferred/ services are rendered to customer based on specific terms and conditions of contracts entered into with respective customers.

We have identified recognition of revenue as a key audit matter as:-

- revenue is a key performance indicator; and
- there is a presumed fraud risk of revenue being overstated through manipulation of the timing and amount of revenue recognized due to pressures to achieve performance targets as well as meeting external expectations.

How the matter was addressed in our audit

In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:

- We assessed the compliance of the revenue recognition accounting policies against the requirement of Ind AS 115 i.e. Revenue from contracts with customers.
- We evaluated the design, implementation and operating effectiveness of key financial controls with respect to revenue recognition on selected transactions.
- We performed substantive testing by obtaining independent confirmations of transactions from certain customers selected on quantitative and qualitative basis to verify accuracy and existence of the revenue being recognized in the correct accounting period. Further for remaining population, we performed substantive testing by using statistical sampling for revenue transactions recorded during the financial year. For such samples, verified the underlying

The key audit matter	How the matter was addressed in our audit
	documents, including customer purchase orders, invoices, gate outward register, customer acceptances, shipping documents (where applicable) and subsequent receipts in the bank statements (where applicable) to assess whether these are recognized accurately in the appropriate period in which control is transferred or services are provided. • We tested journals posted to revenue ledger selected based on specified risk-based criteria to identify unusual items. • We performed substantive testing by using statistical sampling for discounts and returns to assess whether these have been recorded accurately in the relevant period. • We selected specific samples for revenue transactions recorded during specified period around the year end date and checked whether revenue has been recognized in the correct reporting period by examining the underlying documents and terms of arrangement. • We assessed the adequacy of presentation and disclosures in the financial statements with respect to the requirement of applicable financial reporting framework including Ind AS 115.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report(s) thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Standalone 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 standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 with reference to financial statements 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 Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, 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 A. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - 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 except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 01 April 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in

our opinion and to the best of our information and according to the explanations given to us:

- a. The Company has disclosed the impact of pending litigations as at 31 March 2026 on its financial position in its standalone financial statements - Refer Note 42 to the standalone financial statements.
- b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 39 to the standalone financial statements.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d. (i) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 51 to the standalone 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 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 their knowledge and belief, as disclosed in the Note 51 to the standalone 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 directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as

provided under (i) and (ii) above, contain any material misstatement.

- e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 40(ii) to the standalone financial statements, the Board of Directors of the Company has 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.

- f. Based on our examination which included test checks, the Company has used accounting softwares for maintaining its books of accounts including third party software used for payroll process, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded except for the third party software where we are unable to comment on the audit trail feature on the database layer due to lack of the supporting evidence. Further, where audit trail (edit log) facility was enabled and operated throughout the year, we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention except for the period where audit trail was not enabled.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **BSR & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Anurag Maheshwary
Partner

Place: Gurugram
Date: 2 May 2026

Membership No.: 506533
ICAI UDIN:26506533YEYANF1676

Annexure A

to the Independent Auditor's Report on the Standalone Financial Statements of Punjab Chemicals and Crop Protection Limited for the year ended 31 March 2026

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (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.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in phased manner over the period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies noticed on such verification were not material and have been properly adjusted in the books of account.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of primary security of current assets, collateral security of certain factory land and building and exclusive charge of movable property of the Company. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company for the quarters ended on 31 March 2025, 30 June 2025, 30 September 2025 and 31 December 2025 respectively. For quarter ended 31 March 2026 such quarterly returns or statements were not due as on reporting date.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any advances in the nature of loans (secured or unsecured) to companies, firms, limited liability partnership or any other parties during the year. The Company has not made investments in firms, limited liability partnership or any other parties. The Company has made an investment in its Subsidiary Company, in respect of which requisite information is as below. Further, the Company has not granted any loans to Companies, firms, limited liability partnership during the year. The Company has granted loans to its employees during the year. The requisite information on loans to employees is stated in paragraph (iii) (a) below.
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity as below:

Particulars	Interest bearing loan to employees (Amount in INR lakhs)
Aggregate amount of Loan granted during the year	28 Lakhs
Balance outstanding as at balance sheet date	13 Lakhs

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, the investment made and the loans granted during the year, are not prejudicial to the interest of the Company. Further, the Company has not provided guarantee or given security or granted advances in the nature of loans during the year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. In case of advances in the nature of loan of Rs. 618 lakhs (net) (refer note 47 to the financial statements) given to SD Agchem (Europe) NV (wholly owned subsidiary) the terms are repayable on demand. As informed to us, the Company has not demanded repayment of the advance in the nature of loan during the year. Thus, there has been no default on the part of the party to whom the advance has been given.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amounts for more than ninety days in respect of loans given. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion 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 except for the following loans or advances in the nature of loans to its Promoters and related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and services provided by it and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited by the Company with the appropriate authorities, though there have been slight delays in a few cases of Income Tax, Professional tax.
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.

Particulars	Related Party (Wholly Owned Subsidiary)
Aggregate of advances in nature of loan- Repayable on demand	Rs. 618 lakhs (net) (refer note 47 to the financial statements)
Percentage of advances in nature of loan to the total loans	100%

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount disputed under protest (Amount in INR lakhs)*	Amount deposited (Amount in INR lakhs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	Refer note 1	-	Assessment Years 2007-08, 2012-13, 2013-14, 2015-16, 2016-17	Income Tax Appellate Tribunal (ITAT)	
Income Tax Act, 1961	Income Tax	314	123	Assessment Years 2008-09, 2009-10, 2011-12, 2014-15, 2018-19	Commissioner of Income tax (Appeals)	
Central Excise Act, 1944	Service Tax	1	-	1999-2000	High Court	
The Punjab Sales Tax Act, 2005	Sales Tax	11	-	2004-2005	High Court	
Central Goods and Service Tax Act, 2017	Goods and Service Tax	4,496	-	2017 to 2022	High Court	
Central Excise Act, 1944	Goods and Service Tax	-	-	2013-14	CESTAT mumbai	Note 2

*amount as per demand orders including interest and penalty, wherever indicated in the order.

Note 1- Demand adjusted against brought forward losses for earlier years.

Note 2- Department's appeal against favourable order is yet to be admitted and hence demand amount is not fully ascertainable.

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary as defined under the Act. Further, the Company does not hold any investment in any associate or joint venture (as defined under the Act) during the year ended 31 March 2026.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary. Further, the Company does not hold any investment in any associate or joint venture (as defined under the Act) during the year ended 31 March 2026.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act 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.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) Based on the information and explanations provided by the management of the Company, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) do not have any Core Investment Company as detailed in note 51 (ix) to the financial statements.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and 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 standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. 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) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **BSR & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022
Anurag Maheshwary
Partner
Membership No.: 506533
ICAI UDIN:26506533YEYANF1676

Place: Gurugram
Date: 2 May 2026

Annexure B

to the Independent Auditor's Report on the standalone financial statements of Punjab Chemicals and Crop Protection Limited for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

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

Opinion

We have audited the internal financial controls with reference to financial statements of Punjab Chemicals and Crop Protection Limited ("the Company") as of 31 March 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements 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 and Board of Directors' Responsibilities 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 financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with

the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 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 adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 judgement, including the assessment of the risks of material misstatement of the standalone 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 with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include 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 with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Anurag Maheshwary

Partner

Membership No.: 506533

ICAI UDIN:26506533YEYANF1676

Place: Gurugram

Date: 2 May 2026

Standalone Balance Sheet

as at 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

	Note	As at 31 March 2026	As at 31 March 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3	25,551	23,791
Right of use assets	4	1,588	1,087
Capital work-in-progress	3	1,745	1,302
Intangible assets	5	177	265
Intangible assets under development	5	130	104
Financial assets			
(i) Investments	6	1,775	157
(ii) Other financial assets	7	494	471
Other tax assets (net)	8	1,324	442
Other non-current assets	9	14	88
Total non-current assets		32,798	27,707
Current assets			
Inventories	10	24,577	22,237
Financial assets			
(i) Investments	6	-	226
(ii) Trade receivables	11	20,363	25,133
(iii) Cash and cash equivalents	12	810	1,270
(iv) Bank balances other than (iii) above	13	632	494
(v) Loans	14	2,473	2,087
(vi) Other financial assets	7	1,243	2,108
Other current assets	15	3,137	2,169
Total current assets		53,235	55,724
Assets classified as held for sale	16	30	30
Total Assets		86,063	83,461
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	1,226	1,226
Other equity	18	43,063	37,208
Total equity		44,289	38,434
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	19	3,742	6,098
(ii) Lease liabilities	20	832	879
(iii) Other financial liabilities	21	227	-
Provisions	22	446	1,280
Deferred tax liabilities (net)	23	1,199	806
Total non-current liabilities		6,446	9,063
Current liabilities			
Financial liabilities			
(i) Borrowings	19	10,495	9,595
(ii) Lease liabilities	20	353	217
(iii) Trade payables			
- Total outstanding dues of micro enterprises and small enterprises	24	2,070	1,078
- Total outstanding dues of creditors other than micro enterprises and small enterprises	24	15,209	19,011
(iv) Other financial liabilities	21	5,409	4,394
Other current liabilities	25	447	409
Provisions	22	543	502
Current tax liabilities (net)	26	802	758
Total current liabilities		35,328	35,964
Total liabilities		41,774	45,027
Total equity and liabilities		86,063	83,461

Material accounting policies

2.1

Notes to the standalone financial statements

3-54

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W-100022

Anurag Maheshwary
Partner
Membership No: 506533

For and on behalf of the Board of Directors of
Punjab Chemicals and Crop Protection Limited
Mukesh Dahyabhai Patel
Chairman
DIN.: 00009605
Place: Vadodara

Vinod Kumar Gupta
Chief Executive Officer

Shalil Shashikumar Shroff
Managing Director
DIN: 00015621
Place: Mumbai

Rishu Chatley
Company Secretary
& Compliance officer
Membership No.: 19932

Place: Derabassi

Devender Gupta
Chief Financial Officer

Place: Derabassi

Place: Gurugram
Date: 2 May 2026

Place: Derabassi
Date: 1 May 2026

Standalone Statement of Profit and Loss

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Particulars	Note	Year ended 31 March 2026	Year ended 31 March 2025
INCOME			
Revenue from operations	27	1,02,540	89,838
Other income	28	1,321	121
Total income		1,03,861	89,959
EXPENSES			
Cost of materials consumed	29	62,221	58,737
Purchases of stock-in-trade	30	283	307
Changes in inventories of finished goods, stock-in- trade and work-in progress	31	(802)	(5,271)
Employee benefits expense	32	10,412	9,509
Finance costs	33	1,681	1,783
Depreciation and amortization expense	34	2,817	2,480
Other expenses	35	18,835	16,631
Total expenses		95,447	84,176
Profit before tax and exceptional item		8,414	5,783
Exceptional items	36	208	418
Profit before tax		8,206	5,365
Tax expenses	37		
Current tax		1,698	1,363
Deferred tax charge		365	25
Total tax expenses		2,063	1,388
Profit for the year		6,143	3,977
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurements of defined benefit liability/ (asset)		89	(46)
- Fair value change on equity investments through other comprehensive income		18	13
Income tax relating to items that will not be reclassified to profit or loss			
- Remeasurements of defined benefit (asset)/ liability		(22)	12
- Fair value change on equity investments through other comprehensive income		(5)	(3)
Other comprehensive income/ (loss) for the year (net of tax)		80	(24)
Total comprehensive income for the year		6,223	3,953
Earnings per equity share (face value of Rs. 10)	38		
Basic and diluted (Rs.)		50.11	32.44

Material accounting policies

2.1

Notes to the standalone financial statements

3-54

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W-100022

Anurag Maheshwary
Partner
Membership No: 506533

Place: Gurugram
Date: 2 May 2026

For and on behalf of the Board of Directors of
Punjab Chemicals and Crop Protection Limited

Mukesh Dahyabhai Patel
Chairman
DIN.: 00009605
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Vinod Kumar Gupta
Chief Executive Officer

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Managing Director
DIN: 00015621
Place: Mumbai

Rishu Chatley
Company Secretary
& Compliance officer
Membership No.: 19932

Place: Derabassi

Devender Gupta
Chief Financial Officer

Place: Derabassi

Standalone Statement of Cash Flow

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

	Year ended 31 March 2026	Year ended 31 March 2025
A. Cash flow from operating activities		
Profit before tax	8,206	5,365
Adjustments for:		
Depreciation and amortization expense	2,817	2,480
Liability no longer required written back	(25)	(10)
Interest income	(539)	(55)
Finance cost	1,681	1,783
Unrealized foreign exchange (gain) (net)	(196)	(62)
Advances written off	50	24
Loss on sale of property, plant and equipment (net)	14	2
Unrealised (Gain) on fair valuation of investments	-	(31)
Property, plant and equipment written off	-	16
Rental income	(4)	(4)
Unrealised loss on derivatives contracts	303	-
Expected credit loss on trade receivables written back	(14)	(19)
Operating cash flow before working capital changes	12,293	9,489
Changes in working capital:		
Decrease/(increase) in trade receivables	5,035	(4,337)
(Increase) in inventories	(2,341)	(8,971)
(Increase) in other current and non-current assets	(1,010)	(523)
Decrease/(increase) in current and non-current other financial assets	844	(744)
(Increase) in current and non-current loans	(3)	(1)
(Decrease)/increase in trade payables and other liabilities	(2,908)	8,387
Increase in other financial liabilities	752	78
(Decrease) in long-term and short-term provisions	(704)	(38)
Cash generated from operating activities	11,958	3,340
Income tax paid (net)	(2,068)	(1,077)
Net cash generated from operating activities (A)	9,890	2,263
B. Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets (including capital advances)	(4,575)	(3,150)
Proceeds from sale of property, plant and equipment	49	31
Investments in subsidiary	(1,600)	-
Purchase of other investments	-	(300)
Proceeds from other investments	226	750
Movement in other bank balances (net)	(3)	(131)
Investment in fixed deposits	(184)	(117)
Proceeds from fixed deposits	53	32
Interest received	65	66
Rental income	4	4
Net cash flows (used in) investing activities (B)	(5,965)	(2,815)
C. Cash flow from financing activities		
Proceeds from non-current borrowings	114	2,621
Repayments of non-current borrowings	(2,818)	(1,244)
Payment of lease liabilities (Principal)	(882)	(293)
Payment of lease liabilities (Interest)	(154)	(60)
Proceeds from current borrowings (net)	1,248	2,258
Payment of dividend	(366)	(364)
Finance cost paid	(1,527)	(1,713)
Net cash flows (used in)/ generated from financing activities (C)	(4,385)	1,205
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(460)	653
Cash and cash equivalents at the beginning of the year	1,270	617
Cash and cash equivalents at the end of the year	810	1,270

Standalone Statement of Cash Flow

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Notes :

1. Cash and cash equivalents include :

	Year ended 31 March 2026	Year ended 31 March 2025
Balances with banks - in current accounts	806	1,264
Cash on hand	4	6
	810	1,270

2. The above statement of cash flow has been prepared under the indirect method set out in the applicable Indian Accounting Standard (Ind AS) 7 on "Statement of Cash Flows". Also, refer to note 2(q).

3. Reconciliation of movements of current and non-current borrowings to cash flows arising from financing activities

	As at 31 March 2026	As at 31 March 2025
Borrowings at the beginning of the year (current and non-current borrowings)	15,693	12,058
Proceeds from non-current borrowings	114	2,621
Repayment of non-current borrowings	(2,818)	(1,244)
Proceeds from current borrowings (net)	1,248	2,258
Borrowings at the end of the year (current and non-current borrowings)	14,237	15,693

4. Reconciliation of movements of lease liabilities to cash flows arising from financing activities during the year:

	As at 31 March 2026	As at 31 March 2025
Balance as at beginning of the year	1,096	225
Additions	971	1,164
Accreditation of interest	154	60
Payment of lease liabilities	(1,036)	(353)
Balance as at end of the year	1,185	1,096

5. During the year, the Company paid Rs. 141 (previous year: Rs.182) towards corporate social responsibility (CSR) expenditure (included in Corporate social responsibility expenditure - Refer note 45).

Material accounting policies

2.1

Notes to the standalone financial statements

3-54

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **BSR & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W-100022

Anurag Maheshwary
Partner
Membership No: 506533

Place: Gurugram
Date: 2 May 2026

For and on behalf of the Board of Directors of
Punjab Chemicals and Crop Protection Limited

Mukesh Dahyabhai Patel
Chairman
DIN.: 00009605
Place: Vadodara

Vinod Kumar Gupta
Chief Executive Officer

Place: Derabassi
Date: 1 May 2026

Shalil Shashikumar Shroff
Managing Director
DIN: 00015621
Place: Mumbai

Rishu Chatley
Company Secretary
& Compliance officer
Membership No.: 19932

Place: Derabassi

Devender Gupta
Chief Financial Officer

Place: Derabassi

Standalone Statement of Changes in Equity

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

a. Equity share capital:

	Note	Amount
Balance as at 1 April 2025	17	1,226
Changes in equity share capital during the year		-
Balance as at 31 March 2026	17	1,226
Balance as at 1 April 2024		1,226
Changes in equity share capital during the year		-
Balance as at 31 March 2025		1,226

b. Other Equity :

	Reserves and surplus						Other comprehensive income	Total other equity
	Capital reserve	Securities premium	Capital redemption reserve	Capital reduction reserve	Amalgamation reserve	Retained earnings	Equity instruments through other comprehensive income	
Balance as at 1 April 2025	309	5,707	28	21	19	31,093	31	37,208
Total comprehensive income for the period ended 31 March 2026								
- Profit for the year	-	-	-	-	-	6,143	-	6,143
- Other comprehensive (income) (net of tax)	-	-	-	-	-	67	13	80
Total comprehensive income for the year	-	-	-	-	-	6,210	13	6,223
Transactions with owners of the Company								
Contributions and distributions								
- Final equity dividend for the financial year 2024-2025 (Amount Rs. 3 per share)(refer note 40(ii))	-	-	-	-	-	(368)	-	(368)
Total Contributions and distributions for the year	-	-	-	-	-	(368)	-	(368)
Balance as at 31 March 2026	309	5,707	28	21	19	36,935	44	43,063
Balance as at 1 April 2024	309	5,707	28	21	19	27,518	21	33,623
Total comprehensive income for the year ended 31 March 2025								
- Profit for the year	-	-	-	-	-	3,977	-	3,977
- Other comprehensive (loss)/ income (net of tax)	-	-	-	-	-	(34)	10	(24)
Total comprehensive income for the year	-	-	-	-	-	3,943	10	3,953
Transactions with owners of the Company								
Contributions and distributions								
- Final equity dividend for the financial year 2023-2024 (Amount Rs. 3 per share)(refer note 40(ii))	-	-	-	-	-	(368)	-	(368)
Total Contributions and distributions for the year	-	-	-	-	-	(368)	-	(368)
Balance as at 31 March 2025	309	5,707	28	21	19	31,093	31	37,208

Note : Refer note 18 for nature and purpose of other equity

Material accounting policies

2.1

Notes to the standalone financial statements

3-54

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W-100022

Anurag Maheshwary
Partner
Membership No: 506533

For and on behalf of the Board of Directors of
Punjab Chemicals and Crop Protection Limited
Mukesh Dahyabhai Patel
Chairman
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Place: Vadodara

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Membership No.: 19932
Place: Derabassi

Devender Gupta
Chief Financial Officer

Place: Gurugram
Date: 2 May 2026

Place: Derabassi
Date: 1 May 2026

Place: Derabassi

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

Note 1. Reporting entity

Punjab Chemicals and Crop Protection Limited (Corporate identification number: L24231PB1975PLC047063) ("the Company") is a public limited company domiciled in India and incorporated under the provisions of Companies Act, 1956 and is continuing to exist under the Companies Act, 2013. The Company's shares are listed on BSE Limited and National Stock Exchange of India Limited. The registered office of the Company is situated at Milestone 18, Ambala Kalka Road, Village & P.O. Bhankharpur, Derabassi, Distt. SAS Nagar, Mohali (Punjab)-140201.

The Company is engaged in business of manufacturing of agro chemicals, speciality chemicals, industrial chemicals and bulk drugs and its intermediates.

Note 2. Basis of preparation

(i) Statement of compliance

The standalone financial statements ("financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of Companies Act, 2013, ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 and under relevant provision of the Act as amended from time to time.

These standalone financial statements have been prepared for the Company on the going concern basis in accordance with accounting principles generally accepted in India and on the basis of relevant Ind AS that are effective on a reporting date i.e. March 31, 2026. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months. The standalone financial statements for the year ended 31 March 2026 were approved for issue by the Company's Board of Directors on 1 May 2026.

(ii) Functional and presentation currency

The functional currency of the Company is the Indian rupee. These standalone financial statements are presented in Indian rupees. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

(iii) Basis of measurement

The standalone financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Equity securities at FVOCI	Fair value
Derivative Financial instruments	Fair value

Items	Measurement basis
Net defined benefits (assets)/ liability	Fair value of the plan assets less present value of defined benefits obligations

(iv) Use of estimates and judgments

The preparation of standalone financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

Financial reporting results rely on the estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecast and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. Estimates and Judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. The Management believes that the estimates used in preparation of these financial statements are prudent and reasonable. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company.

Judgements

Information about judgments made in applying accounting policies that have the most significant effects the amounts recognized in the financial statements is included in the following notes:

- Note 2(j) and 28 – revenue recognition: whether revenue is recognized over time or at a point in time;
- Note 2(d) and 20 – lease term: whether the Company is reasonably certain to exercise extension options

Assumptions and estimation uncertainties

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effects on the amounts recognized in the standalone financial statements is included in the following notes:

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

- Note 2(c) and 3 – Assessment of useful life and residual value of Property, plant and equipment.
- Note 2(o), 2(p) and 42 – Recognition and measurement of provision and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources.
- Note 2(m) and 41 – Measurement of defined benefit obligations: key actuarial assumptions.
- Note 2(h) – Impairment of financial assets.
- Note 2(g) – Valuation of inventories.

Note 2.1 Material Accounting Policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the Statement of Assets and Liabilities based on current/non-current classification.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(b) Measurement of fair values

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to measurement of fair values. This includes the top management division which is responsible for overseeing all significant fair value measurements, including Level 3 fair values. The top management division regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the top management division assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirement of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Company's board of directors.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices included in 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: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the changes have occurred. Further information about the assumptions made in measuring fair values used in preparing these standalone financial statements is included in the note 41(a).

(c) Financial instrument

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 are recognised when the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. However, trade receivables that do not contain a significant financing component are measured at transaction price.

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

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments at amortised cost
- Equity instruments measured at fair value through other comprehensive income (FVOCI) or
- Equity instruments measured at fair value through profit and loss (FVTPL).

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability. 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 in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the Company's management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss to retained earnings.

Equity instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

Investments in subsidiaries

Equity investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

Derecognition of financial assets

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 (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

Derecognition of financial liabilities

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 derecognition 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 and Loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Impairment of financial assets: The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(d) Property, plant and equipment ('PPE')

Recognition and measurement

Items of PPE are stated at cost, which includes capitalized finance costs, less accumulated depreciation and or accumulated impairment loss, if any.

Cost of an item of a PPE comprises its purchase price including import duty, and other non-refundable taxes after deducting any trade discounts and rebates and any directly attributable cost of bringing the asset to its working condition for its intended use.

The cost of a self-constructed item of PPE comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. Expenditure incurred on startup and commissioning of the project and/or substantial expansion, including the expenditure incurred on trial runs (net of trial run receipts, if any) up to the date of commencement of commercial production are capitalised. If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

The cost of an item of property, plant and equipment shall be recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Freehold land is carried at historical cost less any accumulated impairment losses.

Advances paid towards acquisition of PPE outstanding at each Balance Sheet date, are shown under other non-current assets and cost of assets not ready for intended use before the year end, are shown as capital work-in-progress.

Any gain or loss on disposal of an item of PPE is recognised in the Statement of Profit and Loss.

Subsequent expenditure

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation

Depreciation is calculated on cost of items of PPE less their estimated residual values over their estimated useful lives using the straight-line method and is recognised in the Statement of Profit and Loss.

Depreciation on items of PPE is provided as per rates corresponding to the useful life specified in Schedule II to the Companies Act, 2013 read with the notification dated 29 August 2014 of the Ministry of Corporate Affairs except for certain classes of PPE which are depreciated based on the internal technical assessment of the management. The estimated useful lives of items of PPE for the current and comparative periods are as follows:

Particulars	Useful life as per Schedule II	Management estimate of useful life
Building - Factory	30 Years	5,10,15,17 - 25 Years
Building - Office	60 Years	28,30,50, & 58 Years
Plant and equipment	3 - 15 Years	5 - 20 Years
Electrical installations	10 Years	10 - 15 Years
Vehicles	8 Years	5 & 8 Years
Furniture and fittings	10 Years	3, 5 & 10 Years
Computers	3 years	3 & 5 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on additions (disposal) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

Derecognition

An item of PPE is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of a PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss.

(e) 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.

Leases in which the Company is a lessee

The Company's lease asset classes primarily consist of leases for buildings, plant and equipment, furniture and fixture and leasehold land. The Company, at the inception of a contract, assesses whether the contract is a lease or not. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

The Company recognises a right-of-use asset ("ROU") and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

incremental borrowing rate. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, if the company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'financial liabilities' in the statement of financial position.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases for

which the underlying asset is of low value. The Company recognises the lease payments associated with these leases as an expense in the Statement of Profit or Loss over the lease term.

(f) Intangible assets

Acquired Intangible

Intangible assets that are acquired (including implementation of software system) are measured initially at cost. Cost of an item of Intangible asset comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

Advances paid towards acquisition of intangible assets outstanding at each Balance Sheet date, are shown under other non-current assets and cost of assets not ready for intended use before the year end, are shown as intangible assets under development.

After initial recognition, an intangible asset is carried at its cost less accumulated amortisation and any accumulated impairment loss.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates. All other expenditure is recognised in Statement of Profit and Loss as incurred.

Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method and is included in depreciation and amortisation expense in Statement of Profit and Loss.

The estimated useful lives are as follows:

Computer software	3 - 5 Years
Product registrations (including task charges, task force studies and other related expenses)	10 Years
Technical know-how	5 Years

Derecognition

Intangible assets is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(g) Inventories

Inventories are valued at lower of cost or net realisable value. The methods of determining cost of various categories of inventories are as follows:

Raw materials (except goods in transit)	Weighted average method
Packing material	Weighted average method
Stores and spares	Weighted average method
Work-in-progress and finished goods (manufactured)	Weighted average including an appropriate share of variable and fixed production overheads. Fixed production overheads are included based on normal capacity of production facilities.
Stock-in-trade	Weighted average method

The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials and other supplies held for use in the production of finished products are not written down below cost, except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value. The Company reviews the condition of its inventories and makes provision against obsolete and slow moving inventory items which are identified as no longer suitable for sale or use.

The comparison of cost and net realisable value is made on an item-by-item basis.

(h) Impairment

Impairment of financial assets

The Company recognises loss allowances for expected credit loss on financial assets measured at amortised cost. At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have detrimental impact on the estimated future cash flows of the financial assets have occurred.

Evidence that the financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the trade receivable, borrower or issuer;
- the breach of contract such as a default or being past due for 3 years or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial re-organisation; or
- the disappearance of active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- Bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 3 years past due.

The Company considers a financial asset to be in default when:

- the Trade receivable is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

- the financial asset is more than 3 years past due.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. difference between the cash flow due to the Company in accordance with the contract and the cash flow that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowance for financial assets measured at the amortised cost is deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the trade receivables do not have assets or sources of income that could generate sufficient cash flows to repay the amount subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedure for recovery of amounts due.

Impairment of non-financial assets

The Company's non-financial assets other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows (i.e. corporate assets) are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets (e.g. head office building for providing support to CGU) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. An impairment loss in respect of assets for which

impairment loss has been recognized in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(i) Foreign currency transactions

The standalone financial statements are presented in Indian Rupees (Rs.), which is also the Company's functional and presentation currency.

Rounding of amount: All amounts disclosed in the financial statements and notes have been rounded-off to the nearest Rs. Lakh as per the requirement of Schedule III, unless otherwise stated. Amount less than Rs. 50,000 is presented Rs. 0.00 lakh wherever considered necessary.

Initial recognition

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions.

Measurement at the reporting date

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Exchange differences on restatement/settlement of all monetary items are recognised in profit or loss. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income ("OCI") or profit or loss are also recognised in OCI or profit or loss, respectively).

(j) Revenue from contract with customers

Revenue is measured based on the consideration specified in the contract with a customer. The Company recognizes revenue when it transfers control over a good or service to a customer.

The Company applies the revenue recognition criteria to each separately identifiable component of the Revenue transaction as set out below:

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

Sale of products

The Company recognises revenue generally at the point in time when the products are delivered or dispatch to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer in accordance with terms of the contract.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. No element of financing is deemed present as the sales are made against the receipt of advance, letter of credit or with an agreed credit period ranging from 30 to 180 days, which is consistent with the market practices. A receivable is recognised when performance obligation is satisfied as this is the point in time that the consideration is unconditional because only passage of time is required before payment is due.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract liability is recognised when there is billings in excess of revenues.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for in the period of such change.

Trade receivables are measured at transaction price adjusted for expected credit loss.

The Company disaggregates revenue from contracts with customers by geography.

Use of Judgement in Revenue Recognition

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Sale of services

Sale of services includes processing, infrastructure and manpower charges in respect of job work services provided by the Company. Revenue in respect of sale of services is recognized over time or at a point in time in accordance with the terms of the contract.

Export incentives

Export incentive entitlements are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

(k) Recognition of interest income or expense

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

(l) Employee benefits

Short-term employee benefits

All employee benefits falling due within twelve months of the end of the period in which the employees render the related services are classified as short-term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured accordingly.

Post-employment benefits

Post employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

specified monthly contributions towards employee provident fund and employee state insurance scheme ('ESI') to Government administered scheme which is a defined contribution plan. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service. Certain employees of the Company are also participants in the superannuation plan ('the Plan'), a defined contribution plan. The Company makes contributions to Life Insurance Corporation of India (LIC). Contribution made by the Company to the plan during the year is charged to Statement of Profit and Loss.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity is a defined benefit plan. The administration of the gratuity scheme has been entrusted to the Life Insurance Corporation of India ('LIC') for certain employees. The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The Company's net obligation in respect of gratuity is calculated separately by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

"Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in OCI."

Other long-term employee benefits

Compensated absences

As per the Company's policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilised during the service, or encashed. Encashment can be made during service, on early retirement, on withdrawal of scheme, at resignation and upon death of the employee. Accumulated compensated absences are treated as other long-term employee benefits. The Company's obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. Such obligation such as those related to compensate absences is

measured on the basis of an actuarial valuation performed annually by a qualified actuary using the projected unit cost credit method. The obligations are presented as current liabilities in the balance sheet if the Company does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

Actuarial valuation

The liability in respect of all defined benefit plans is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurement gains and losses in respect of all defined benefit plans arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in other equity in the Statement of Changes in Equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Any differential between the plan assets (for a funded defined benefit plan) and the defined benefit obligation as per actuarial valuation is recognised as a liability if it is a deficit or as an asset if it is a surplus (to the extent of the lower of present value of any economic benefits available in the form of refunds from the plan or reduction in future contribution to the plan).

Past service cost is recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested immediately following the introduction of, or changes to, a defined benefit plan, the past service cost is recognised immediately in the Statement of Profit and Loss. Past service cost may be either positive (where benefits are introduced or improved) or negative (where existing benefits are reduced).

(m) Income tax

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation. It establishes provisions or make reversals of provisions made in earlier years, where appropriate, on the basis of amounts expected to be paid to / received from the tax authorities.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets, recognized or unrecognized, are reviewed at each reporting date and recognised / reduced to the extent that it has become probable / no longer probable respectively that future taxable profits will be available against which they can be used.

Section 115 BAA of the Income Tax Act 1961, introduced by Taxation Laws (Amendment) Ordinance, 2019 gives a one-time irreversible option to Domestic Companies for payment of corporate tax at reduced rates. The Company has opted for this benefit in earlier years.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the current tax liabilities and assets, and they relate to income taxes levied by the same tax authorities.

(n) Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent asset is not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Contingent liabilities and contingent assets are reviewed at each Balance Sheet date

(o) Commitments

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting date.

(p) Operating segment

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

(q) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash in hand, demand deposits held with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(r) Borrowing costs

Borrowing costs are interest and other costs (including exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred by the Company in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as a part of cost of the asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(s) Earnings per share

Basic earnings/ (loss) per share are calculated by dividing the net profit/ (loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(t) Share Capital

Incremental costs directly attributable to the issue of equity shares are recognized as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with Ind AS 12.

(u) Exceptional Items

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and the same is disclosed in standalone statement of profit and loss and in the notes forming part of the standalone financial statements.

(v) Recent accounting pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 13 August 2025, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, applicable from 1 April 2026, as below:

Ind AS 1 - Presentation of Financial Statements - If a covenant breach occurs on or before the reporting date and the liability becomes payable on demand, it must be classified as current, even if the lender subsequently agrees not to demand repayment. It is classified as current because, at the reporting date, the entity does not have the right to defer settlement for at least 12 months. However, if the lender has already provided—by the reporting date—a grace period extending at least 12 months beyond that date, during which the breach can be rectified and repayment cannot be demanded, the liability is classified as non-current. The Company has evaluated the amendment and does not expect this amendment to have any significant impact in its financial statements.

This amendment is to be applied retrospectively for annual reporting periods beginning on or after 1 April 2026, in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 3: Property, plant and equipment and capital work-in-progress

	Freehold Land	Building	Plant and equipment	Electrical installations	Vehicles	Furniture and fixtures	Computers	Total
Gross carrying amount								
Balance as at 1 April 2024	5,395	4,088	19,827	406	1,603	192	286	31,797
Additions	-	219	2,102	432	150	60	29	2,992
Disposals /other adjustments #	-	9	152	-	81	-	1	243
Balance as at 31 March 2025	5,395	4,298	21,777	838	1,672	252	314	34,546
Balance as at 1 April 2025	5,395	4,298	21,777	838	1,672	252	314	34,546
Additions	-	847	2,958	13	159	55	35	4,067
Disposals /other adjustments	-	151	206	-	134	10	-	501
Balance as at 31 March 2026	5,395	4,994	24,529	851	1,697	297	349	38,112
Accumulated depreciation								
Balance as at 1 April 2024	-	899	6,710	208	680	71	203	8,771
Depreciation for the year	-	173	1,625	43	176	36	32	2,085
Disposals /other adjustments #	-	11	59	-	30	0	1	101
Balance as at 31 March 2025	-	1,061	8,276	251	826	107	234	10,755
Depreciation for the year	-	178	1,765	58	177	43	24	2,244
Disposals /other adjustments	-	140	173	-	116	9	-	438
Balance as at 31 March 2026	-	1,099	9,868	309	887	141	258	12,561
Carrying amounts (net)								
As at 31 March 2025	5,395	3,237	13,501	587	846	145	80	23,791
As at 31 March 2026	5,395	3,895	14,662	542	810	156	91	25,551

#Plant and equipments includes other adjustment amounting Nil (previous year Rs. 93) in relation to reimbursement to capex incurred under a customer arrangement.

Notes:

- Plant and equipment includes Gross carrying amount Rs. 44 (previous year: Rs. 44) worth of equipment acquired under United Nations Industrial Development Organization grant scheme.
- Refer note 19(C) for information on property, plant and equipment pledged as security by the Company.
- Refer note 42(b) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- The Company has capitalized the following expenses to the cost of property, plant and equipment / capital work-in-progress (CWIP). Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the Company. The capitalisation rate used for interest capitalisation is 8.80%.

	Year ended 31 March 2026	Year ended 31 March 2025
Salaries, wages and bonus	208	203
Power and fuel	51	69
Finance costs	89	77
Research and development.	-	49
	348	398

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 3: Property, plant and equipment and capital work-in-progress (Contd..)

e. Capital work in progress

	Building	Plant and equipment*	Total
Balance as at 1 April 2024	224	930	1,154
Additions	74	2,456	2,530
Capitalisations	74	2,308	2,382
Balance as at 31 March 2025	224	1,078	1,302
Additions	569	3,363	3,932
Capitalisations	761	2,728	3,489
Balance as at 31 March 2026	32	1,713	1,745

*This also includes electrical installations

Capital-work- in progress ageing schedule as at 31 March 2026

CWIP	Amount in CWIP for a period of				
	< 1 Years	1-2 Years	2-3 Years	> 3 years	Total
Projects in progress*	1,600	145	-	-	1,745
Total	1,600	145	-	-	1,745

Capital-work- in progress ageing schedule as at 31 March 2025

CWIP	Amount in CWIP for a period of				
	< 1 Years	1-2 Years	2-3 Years	> 3 years	Total
Projects in progress*	1,135	167	-	-	1,302
Total	1,135	167	-	-	1,302

*There are no projects whose completion is overdue or has exceeded its cost compared to its original plan.

Note 4: Right of use asset

	Leasehold Land	Building	Plant & Machinery	Furniture and fixtures	Total
Balance as at 1 April 2024	3	97	99	15	214
Additions	-	1,164	-	-	1,164
Depreciation for the year	-	211	79	1	291
Balance as at 31 March 2025	3	1,050	20	14	1,087
Balance as at 1 April 2025	3	1,050	20	14	1,087
Additions	-	971	-	-	971
Depreciation for the year	-	450	20	-	470
Balance as at 31 March 2026	3	1,571	-	14	1,588

Notes:

- The Company has also taken on leases certain office premises with contract terms of one year. These leases were short-term in nature and the Company had elected not to recognise right-of-use assets and lease liabilities for those leases. The Company incurred Rs. 102 (previous year Rs. 44) towards expenses relating to short-term and low value leases for which the recognition exemption has been applied.
- The total cash outflow for leases, including cash outflow for short term and low value lease is Rs. 1,138 (previous year Rs. 397).
- During the current year, the Company entered into a five-year lease agreement with Hindustan Antibiotics Limited for an industrial building located at H.A. Limited Compound Pimpri, Pune, Maharashtra. Further, the Company has recognized the lease in accordance with applicable accounting standards and recorded a right-of-use asset for the aforesaid lease arrangement.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 5: Intangible assets and intangible assets under development

	Computer Software	Product registrations	Technical know how	Total
Gross carrying amount				
Balance as at 1 April 2024	473	784	320	1,577
Additions - acquired	-	-	-	-
Balance as at 31 March 2025	473	784	320	1,577
Balance as at 1 April 2025	473	784	320	1,577
Additions - acquired	15	-	-	15
Balance as at 31 March 2026	488	784	320	1,592
Accumulated amortisation				
Balance as at 1 April 2024	211	680	316	1,207
Amortisation for the year	90	15	-	105
Balance as at 31 March 2025	301	695	316	1,312
Balance as at 1 April 2025	301	695	316	1,312
Amortisation for the year	88	14	1	103
Balance as at 31 March 2026	389	709	317	1,415
Carrying amounts (net)				
As at 31 March 2025	172	89	4	265
As at 31 March 2026	99	75	3	177

Note:

a. The estimated remaining amortization period for intangible assets are as follows:

	As at 31 March 2026	As at 31 March 2025
Computer Software	0 to 3 years	0 to 3 years
Product registrations	0 to 8 years	0.05 to 8 years
Technical know how	0 to 1 years	0 to 1 years

b. Intangible assets under development

	Computer Software	Product registrations	Technical know how	Total
Balance as at 1 April 2024	-	60	-	60
Additions	7	37	-	44
Capitalisations	-	-	-	-
Balance as at 31 March 2025	7	97	-	104
Additions	-	30	3	33
Capitalisations	7	-	-	7
Balance as at 31 March 2026	-	127	3	130

c. Intangible assets under development ageing schedule as on 31 March 2026:

Intangible assets under development*	Amount in intangible assets under development for a period of					Remarks
	< 1 Years	1-2 Years	2-3 Years	> 3 years	Total	
Computer Software	-	-	-	-	-	-
Product registration projects	30	37	15	45	127	Refer note (a) below
Technical know how	3	-	-	-	3	Refer note (b) below
Total	33	37	15	45	130	

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 5: Intangible assets and intangible assets under development (Contd..)

Intangible assets under development ageing schedule as on 31 March 2025:

Intangible assets under development#	Amount in intangible assets under development for a period of					Remarks
	< 1 Years	1-2 Years	2-3 Years	> 3 years	Total	
Computer Software	7	-	-	-	7	
Product registration projects	37	15	-	45	97	Refer note (a) below
Technical know how	-	-	-	-	-	
Total	44	15	-	45	104	

#There are no projects whose completion is overdue or has exceeded its cost compared to its original plan.

Note:

- (a) These projects relate to certain product registration submission to regulatory authority for which the necessary approvals are currently awaited. These approval are expected to be received in the near term basis which these will be capitalised as product registration.
- (b) These projects are under implementation and expected to be completed in the near term basis which these will be capitalised as technical know how.

Note 6: Investments

A. Non- current investments

Investments in equity shares	As at 31 March 2026	As at 31 March 2025
Quoted equity shares		
Equity shares (at fair value through other comprehensive income)		
- Bank of Baroda 187 (31 March 2025: 187) equity shares of Rs. 10 each fully paid-up^	0	0
- Canara Bank 315 (31 March 2025: 63) equity shares of Rs. 10 each fully paid-up^	0	0
	1	1
Unquoted equity shares		
Subsidiary companies (at cost)		
- SD Agchem (Europe) N.V.	4,195	2,595
#22981 (31 March 2025: 16,613) equity shares of Euro 2.676 (previous year: Euro 615) each fully paid-up		
Other Companies (fair value through other comprehensive income)		
- Nimbua Green Field (Punjab) Limited	166	148
84,375 (31 March 2025: 84,375) equity shares of Rs. 10 each fully paid-up		
Mohali Green Environment Private Limited	8	8
70,000 (31 March 2025: 70,000) equity shares of Rs. 10 each fully paid-up"		
- SVC Cooperative Bank Limited		
100 equity shares (31 March 2025: 100) equity shares of Rs. 25 each fully paid-up^	0	0
	4,369	2,751
Impairment in value of investments		
Subsidiary Companies :		
- SD Agchem (Europe) N.V.	2,595	2,595
	2,595	2,595
Total non-current investments	1,775	157
Aggregate book value of quoted investments	1	1
Aggregate market value of quoted investments	1	1
Aggregate value of unquoted investments	4,369	2,751
Aggregate amount of impairment in value of non-current investments	2,595	2,595

^Wherever an amount is represented as Rs. "0" (zero) it construes a value less than rupees fifty thousand.

#During the year under review, the Company invested Euro 1,600,602 (Rs. 1,601) in SD Agchem for acquiring 6,368 equity shares at Euro 251.35 per share. In order to improve its capital structure, SD Agchem reduced its equity share capital by Euro 11,757,072 in accordance with Article 7:210 of the Belgian Companies and Association Code, by way of offsetting the accumulated losses, bringing down the share capital to Euro 61,500 (comprising of 22,981 equity shares of Euro 2.676 each) from Euro 11,818,572 (comprising of 16,613 equity shares of Euro 615 each and 6,368 equity shares of Euro 251.35 each).

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 6: Investments (Contd..)

B. Current investments

Quoted	As at 31 March 2026	As at 31 March 2025
Investments in mutual funds measured at fair value through statement of profit and loss		
Nil (31 March 2025: 5569.34) units of Rs. Nil (previous year: Rs. 3971.41) in Nippon India Mutual Fund.	-	222
Nil (31 March 2025: 29,723.54) units of Rs. Nil (previous year: Rs. 14.94) in Bandhan Mutual Fund.	-	4
Total current investments	-	226
Aggregate book value of quoted investments	-	226
Aggregate market value of quoted investments	-	226

Note 7: Other financial assets

(Unsecured, considered good unless otherwise stated)

	As at 31 March 2026		As at 31 March 2025	
	Non-current	Current	Non-current	Current
Security deposits	458	-	403	923
Deposits with remaining maturity of less than 12 months ^	-	95	-	67
Deposits with remaining maturity of more than 12 months ^	36	-	68	-
Interest receivable	-	22	-	16
Export incentive recoverable	-	275	-	154
Due from customer (refer note 50)	-	590	-	530
Recoverable from government authorities (Refund)	-	84	-	265
Other receivable (includes claim recoverable etc.)	-	177	-	153
Total	494	1,243	471	2,108

Refer note 39(b) for information about credit risk and market risk of other financial assets.

^These deposits include restricted bank deposits Rs. 130 (31 March 2025: 130) pledged as margin money.

Note 8: Other tax assets (net)

	As at 31 March 2026	As at 31 March 2025
Advance income-tax and tax deducted at source (net of provision of Rs. 4,624 (31 March 2025: Rs. 1,988))	1,324	442
Total	1,324	442

Note 9: Other non-current assets

(Unsecured, considered good unless otherwise stated)

	As at 31 March 2026	As at 31 March 2025
Capital advances	14	88
Total	14	88

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 10: Inventories

(At lower of cost and net realizable value)

	Note	As at 31 March 2026	As at 31 March 2025
Raw materials	(a),(b)	11,216	9,838
Work-in-progress	(b)	8,360	4,064
Finished goods	(a),(b)	3,443	6,937
Stores and spares	(b)	1,335	1,114
Packing material	(b)	223	284
Total		24,577	22,237

Notes:

(a) Includes goods-in-transit:

	As at 31 March 2026	As at 31 March 2025
- raw materials	2,854	1,843
- finished goods	733	2,477

(b) Refer note 19(C) for hypothecation of current assets against term loan and working capital loan.

(c) The inventory written down amounted to Rs. 200 (previous year Rs. 31)

Note 11: Trade receivables

(Unsecured, considered good unless otherwise stated)

	As at 31 March 2026	As at 31 March 2025
Trade receivables	18,974	23,412
Trade receivables from related party (refer note 43)	1,441	1,787
	20,415	25,199
Less: expected credit loss allowance	(52)	(66)
Total	20,363	25,133
Break-up of trade receivables:		
Trade receivable considered good - unsecured	20,384	25,168
Trade receivable which have significant increase in credit risk	8	8
Trade receivable - credit impaired	23	23
Total	20,415	25,199
Less: expected credit loss allowance		
- Trade receivables considered good - unsecured	(21)	(35)
- Trade receivables which have significant increase in credit risk	(8)	(8)
- Trade Receivables – credit impaired	(23)	(23)
Total trade receivables	20,363	25,133

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 11: Trade receivables (Contd..)

Trade receivables ageing schedule:

As at 31 March 2026	Outstanding for following periods from due date of payment							Expected credit loss	Net receivables
	Unbilled	Not due	< 6 months	6 months - 1 year	1 year - 2 years	2 year - 3 years	> 3 years		
Undisputed Trade Receivable - considered good	12	15,506	4,016	234	53	437	126	21	20,363
Undisputed Trade Receivable - credit Impaired	-	-	-	-	-	-	23	23	-
Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	8	8	-
Total	12	15,506	4,016	234	53	437	157	52	20,363

Trade receivables ageing schedule:

As at 31 March 2025	Outstanding for following periods from due date of payment							Expected credit loss	Net receivables
	Unbilled	Not due	< 6 months	6 months - 1 year	1 year - 2 years	2 year - 3 years	> 3 years		
Undisputed Trade Receivable - considered good	5	17,080	6,969	551	437	-	126	35	25,133
Undisputed Trade Receivable - Credit Impaired	-	-	-	-	-	-	23	23	-
Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	8	8	-
Total	5	17,080	6,969	551	437	-	157	66	25,133

Refer note 39(b) for information about credit risk and market risk of trade receivables.

Refer note 19(C) for hypothecation of current assets against term loan.

Note 12: Cash and cash equivalents

	As at 31 March 2026	As at 31 March 2025
Balances with banks - in current accounts	806	1,264
Cash on hand	4	6
Total	810	1,270

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 13: Bank balances other than above

	As at 31 March 2026	As at 31 March 2025
Deposit accounts with original maturity of less than 12 months [^]	617	482
Balance in unclaimed dividend accounts [*]	15	12
Total	632	494

[^]These deposits include restricted bank deposits Rs. 540 (31 March 2025: Rs. 459) pledged as margin money.

^{*}Unclaimed dividend accounts represents earmarked balances lying with the bank.

Note 14: Loans

(Unsecured, considered good unless otherwise stated)

	As at 31 March 2026	As at 31 March 2025
Advances recoverable from related party (refer note 43 and 47)		
- considered good	2,456	2,076
Advances recoverable from others		
- considered doubtful	16	16
Less: expected credit loss allowance	(16)	(16)
Loans to employee	17	11
Total	2,473	2,087

Refer note 39(b) for information about credit risk and market risk of loans.

Refer note 19(C) for hypothecation of current assets against term loans and working capital loans.

Note 15: Other current assets

(Unsecured, considered good unless otherwise stated)

	As at 31 March 2026	As at 31 March 2025
Recoverable from/ balances with government authorities		
- considered good	2,010	1,101
Advances for supply of goods and services	353	438
Export benefit receivable on advance license	377	320
Prepaid expenses	387	279
Contract assets	8	30
Others	2	1
Total	3,137	2,169

Note 16: Assets classified as held for sale

	As at 31 March 2026	As at 31 March 2025
Assets classified as held for sale	30	30
Total	30	30

The process of selling the office building at Ahmedabad ("Assets") is still going on. The efforts made so far have not yielded any results, however the management is committed to sell the Asset and expects to complete the sale process during current financial year. There is no impairment loss or cumulative income or expenses included in OCI in relation to the Asset. Accordingly, the Asset has been classified as "Assets classified as held for sale" in accordance with Ind AS 105.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 17: Equity Share capital

(i) Details of share capital

	As at 31 March 2026		As at 31 March 2025	
	Number of shares	Amount	Number of shares	Amount
Authorised Share Capital				
Equity shares of Rs. 10 each	19,800,000	1,980	19,800,000	1,980
9.8% redeemable cumulative preference shares of Rs. 100 each	20,000	20	20,000	20
	19,820,000	2,000	19,820,000	2,000
Issued Share Capital				
Equity shares of Rs. 10 each	12,277,218	1,228	12,277,218	1,228
	12,277,218	1,228	12,277,218	1,228
Subscribed and paid up share capital				
Equity shares of Rs. 10 each fully paid up	12,262,185	1,226	12,262,185	1,226
	12,262,185	1,226	12,262,185	1,226

(ii) Reconciliation of number of shares outstanding at the beginning and end of the year

	As at 31 March 2026		As at 31 March 2025	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning and at the end of the year	12,262,185	1,226	12,262,185	1,226

(iii) Rights, preference and restriction attached to shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders (except for interim dividend) in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iv) Details of shareholders holding more than 5% shares in the company

Name of shareholder	As at 31 March 2026		As at 31 March 2025	
	Number of shares	Number of shares	Number of shares	Number of shares
Equity shares of Rs. 10 each fully paid				
Hem-sil Trading and Manufacturing Private Limited	4,017,318	32.76%	4,017,318	32.76%
Gowal Consulting Services Private Limited	3,000,000	24.47%	3,000,000	24.47%

(v) Details of equity shares held by Promoters and Promoters' Group

S.no.	Shareholders Name	As at 31 March 2026		As at 31 March 2025		% change during the year	% change during the previous year
		No. of shares	% of total shares	No. of shares	% of total shares		
1	Rupam Shalil Shroff	207,293	1.69	207,293	1.69	-	-
2	Shalil Shashikumar Shroff	230,581	1.88	230,581	1.88	-	-
3	Salil Shashikumar Shroff HUF	77,652	0.63	77,652	0.63	-	-
4	Hemal Raju Shete	212,812	1.74	212,812	1.74	-	-

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 17: Equity Share capital (Contd..)

S.no.	Shareholders Name	As at 31 March 2026		As at 31 March 2025		% change during the year	% change during the previous year
		No. of shares	% of total shares	No. of shares	% of total shares		
5	Malvika Shraey Gupta	35,340	0.29	35,340	0.29	-	-
6	Ishika Shalil Shroff	30,394	0.25	27,894	0.23	0.02	-
7	Hem-sil Trading and Manufacturing Pvt Ltd.	4,017,318	32.76	4,017,318	32.76	-	-
	Total	4,811,390	39.24	4,808,890	39.22	0.02	-

- (vi) Bonus shares, shares buyback and issue of shares for consideration other than in cash during five years immediately preceding 31 March 2026

During the five years immediately preceding 31 March 2026, neither any bonus shares have been issued nor any shares have been bought back. Further, no shares have been issued for consideration other than cash.

Note 18: Other equity

	As at 31 March 2026	As at 31 March 2025
Capital Reserve	309	309
Capital Redemption Reserve	28	28
Capital reduction reserve	21	21
Securities Premium Account	5,707	5,707
Amalgamation reserve	19	19
Retained earnings	36,935	31,093
Equity instruments through Other Comprehensive Income	44	31
Total	43,063	37,208

- (i) Capital reserve

Capital reserve represents the forfeited share application money of Rs. 185 received for preferential convertible warrants in 2008-2009 and Rs. 124 received for equity convertible warrant in 2009-2010.

- (ii) Securities premium

Securities premium represents the excess consideration received by the Company over the face value of the shares issued to shareholders. This will be utilized in accordance with the applicable provisions of the Companies Act, 2013.

- (iii) Capital redemption reserve

Capital redemption reserve is carried forward in the balance sheet of the Company post merger of Parul Chemical Limited into the Company during the year 2010-2011.

- (iv) Capital reduction reserve

Capital reduction reserve is carried forward in the balance sheet of the Company post merger of Parul Chemical Limited into the Company during the year 2010-2011.

- (v) Amalgamation reserve

Amalgamation reserve is carried forward in the balance sheet of the Company post merger of Parul Chemical Limited into the Company during the year 2010-2011.

- (vi) Retained earnings

Retained earnings represents the profits that the Company has earned till date less any transfer to general reserve, less any dividends, or other distributions paid to shareholders.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 18: Other equity (Contd..)

(vii) Equity instruments through Other Comprehensive Income

The Company has elected to recognize changes in the fair value of certain investments in equity securities through other comprehensive income. These changes are accumulated within equity through OCI. The company transfers amounts there from to retained earnings when the relevant equity securities are derecognised.

Note 19: Borrowings

A. Non-current borrowings

	Note	As at 31 March 2026	As at 31 March 2025
Secured			
From Banks			
Term loans	(a) & (b)	2,007	4,661
Working capital term loan (ECLGS Scheme)	(c)	781	1,156
Vehicle finance loans	(d)	447	484
		3,235	6,301
Unsecured			
From Others			
Inter-corporate deposits - from related party (refer note 43)	(e)	1,625	1,625
		1,625	1,625
Total non current borrowings (including current maturities)		4,860	7,926
Less : Current maturities of non-current borrowings (refer note 19B)		1,118	1,828
Total		3,742	6,098

Notes:

- The outstanding term loan of Rs. 2,161 as on 31 March 2025 from SVC Co-operative Bank Limited has been fully repaid during the financial year 2025-2026.
- Term loan from HDFC Bank Ltd. (gross of interest accrued) amounting to Rs. 2,007 (31 March 2025: 2,500) carrying interest rate of 8.75% p.a. (31 March 2025: 8.75% p.a.) is secured by first pari passu charge by way of registered mortgage on factory land and building situated at Derabassi, Punjab and first pari passu charge on moveable fixed assets including plant and machinery situated at Derabassi, Punjab with SVC Co-operative Bank Ltd. The outstanding loan is repayable in 48 (31 March 2025: 60) equal monthly installments.
- Working capital term loan (WCTL) under emergency credit line guarantee scheme (ECLGS scheme) from SVC Co-operative Bank Ltd. amounting to Rs. 781 (31 March 2025: Rs. 1,156) carrying interest rate of 9.25% p.a. (31 March 2025: 9.25% p.a.) is secured by 100% guarantee coverage from National Credit Guarantee Trustee Company Limited (NCGTC) and 2nd charge on existing prime & collateral securities of the Company. The loan had a moratorium of 2 years from the date of first disbursement. The outstanding loan is repayable in 25 (31 March 2025: 37) equal monthly installments.
- Loans from SVC Co-operative Bank Limited under vehicle finance scheme amounting to Rs. 447 (31 March 2025: 484) carrying interest rate of 8.75% to 10.90% (31 March 2025: 8.90% to 10.90%) is secured by exclusive charge by way of hypothecation of vehicles purchased under said scheme. The loan is repayable in 12 to 60 (31 March 2025: 24 to 54) equal monthly installments on case to case basis.
- Inter-corporate deposits (gross of interest accrued) of Hemsil Trading & Manufacturing Private Limited amounting to Rs. 1,625 (31 March 2025: Rs. 1,625) is carrying interest rate of 11.50% p.a (31 March 2025: 11.50% p.a).The outstanding loan is repayable on demand post 30 September 2027.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 19: Borrowings (Contd..)

B. Current borrowings

	Note	As at 31 March 2026	As at 31 March 2025
Loans repayable on demand			
- Cash credit and working capital demand loan accounts from banks (secured)	(a), (b), (c)	9,377	7,767
Current maturities of non-current borrowings (refer note 19A)		1,118	1,828
Total		10,495	9,595
Total of non-current and current borrowing		14,237	15,693

Notes:

- Cash credit amounting to Rs. 3,640 (31 March 2025: 4,745) from SVC Co-operative bank Limited. carrying interest rate of 9.15% p.a. (31 March 2025: 9.35% p.a) is secured by first pari passu charge by way of hypothecation on all current assets of the Company, both present and future. It is further secured by first pari passu charge by way of registered mortgage on factory land and building situated at Derabassi, Punjab and by way of hypothecation on all movable property, including plant and machinery, situated at Derabassi, Punjab with HDFC Bank Limited.
- Working capital demand loan/ Cash credit (gross of interest accrued) amounting to Rs. 4,280 (31 March 2025: 3,022) from Yes Bank Limited. carrying interest rate of 8.50% - 9.03% p.a. (31 March 2025: 8.75% -8.90% p.a) is secured by first pari passu charge by way of hypothecation on all current assets of the Company, both present and future. It is further secured by first pari passu charge by way of registered mortgage on factory land and building situated at Lalru, Punjab and first pari passu charge by way of hypothecation on all movable property of the Company situated at Lalru, Punjab with HDFC Bank Limited.
- Cash credit (gross of interest accrued) amounting to Rs. 1,457 (31 March 2025: Nil) from HDFC bank Limited. carrying interest rate of 8.30% p.a. (31 March 2025: 9.00% p.a) is secured by first pari passu charge by way of hypothecation on all current assets of the Company, both present and future. It is further secured by first pari passu by way of hypothecation on all movable fixed assets including plant and machinery situated at industrial plot/property situated at Lalru, Punjab and first pari passu charge by way of EM/registered mortgage on land and building situated at Lalru, Punjab with Yes Bank Limited.

C. Assets pledged as security

Assets with following carrying amounts are pledged as collateral/security against loans and borrowings at year end:

	As at 31 March 2026	As at 31 March 2025
Property, plant and equipment	27,127	22,720
Inventory	24,577	22,237
Other current assets (including financial assets)	28,658	33,488
Total	80,362	78,445

Note 20: Lease liabilities

	As at 31 March 2026	As at 31 March 2025
Non-current		
Total non current lease liability (including current maturities)	1,185	1,096
Less : Current maturities of non-current lease liabilities	353	217
Total non current lease liability	832	879
Current		
Current maturities of non-current lease liabilities	353	217
Total current lease liability	353	217

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 20: Lease liabilities (Contd..)

Note: Current and non-current classification of lease liabilities is based on contractual maturities.

- (a) The Company has entered into agreements for leasing office/factory premises on lease and license basis. The leases typically run for a period of 3 to 5 years with no restriction placed upon the Company for entering into said lease.
- (b) Lease from Siemens Financial Services Private Limited under lease financing scheme amounting to Nil (31 March 2025 : Rs. .15) carrying interest rate of Nil (31 March 2025: 7.09% p.a.) for purchase of machineries. The lease liabilities is repayable in Nil (31 March 2025 : 3) equal monthly instalments.

Information about leases for which the Company is a lessee is presented below:

- (i) The following are the amounts recognised in statement of profit and loss:

	Year ended 31 March 2026	Year ended 31 March 2025
Interest on lease liabilities	154	60
Expenses relating to short-term leases	102	44
Total	256	104

- (ii) The following is the break-up of current and non-current lease liabilities

	As at 31 March 2026	As at 31 March 2025
Non-current lease liabilities	832	879
Current maturities of lease liabilities	353	217
Total	1,185	1,096

- (iii) The weighted average incremental borrowing rate applied to lease liabilities is 9.50% p.a (previous year 9.75% p.a)

- (iv) The following is the information regarding the contractual maturities of lease liabilities on an undiscounted basis:

	As at 31 March 2026	As at 31 March 2025
Less than one year	449	314
One to five years	951	1,048
Total	1,400	1,362

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

- (v) There are no leases not yet commenced to which the Company is committed.
- (vi) Refer cash flow statement for reconciliation of movements of lease liabilities to cash flows arising from financing activities during the period.

Note 21: Other financial liabilities

	As at 31 March 2026		As at 31 March 2025	
	Non Current	Current	Non Current	Current
Unpaid dividend [#]	-	15	-	13
Interest bearing security deposits from customers	-	62	-	62
Security deposit from employees	-	59	-	42
Due to subsidiaries (refer note 43 and 47)	-	1,838	-	1,553
Due to customer (refer note 50)	-	1,232	-	1,107

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 21: Other financial liabilities (Contd..)

	As at 31 March 2026		As at 31 March 2025	
	Non Current	Current	Non Current	Current
Employee related liabilities	-	1,628	-	1,053
Capital creditors of micro enterprise and small enterprises (refer note 49)	-	171	-	248
Capital creditors other than micro enterprise and small enterprises	-	4	-	28
Derivatives contracts (cross currency interest rate swap)*	227	76	-	-
Others (includes interest provision for MSME vendor etc.)	-	324	-	288
Total	227	5,409	-	4,394

*not due for deposit to investor education and protection fund

Refer note 39(b) for information about liquidity risk and market risk of other financial liabilities.

This represents the fair value of the derivate contracts taken. Any change in the fair value of the derivative contract is recognised in statement of profit and loss. Also refer note 39.

Note 22: Provisions

	As at 31 March 2026		As at 31 March 2025	
	Non Current	Current	Non Current	Current
Provision for employee benefits (refer note 41)				
Liability for gratuity	202	366	854	283
Liability for compensated absences	244	177	426	219
Total	446	543	1,280	502

Note 23: Deferred tax liabilities (net)

	As at 31 March 2026	As at 31 March 2025
Deferred tax assets on account of:		
- Expenses allowable on payment basis	232	413
- Expected credit loss allowance	42	45
- Expenses allowed on deferred basis under income tax	6	6
- Lease liabilities	337	57
- Others	10	10
Deferred tax asset (A)	627	531
Deferred tax liabilities on account of:		
- Excess depreciation as per Income tax Act, 1961 over depreciation as per books	1,372	1,283
- Right of use assets	454	54
Deferred tax liability (B)	1,826	1,337
Deferred tax liabilities (net) (A - B)	(1,199)	(806)

Movement in temporary differences:

	As at 1 April 2024	Recognised in Statement of profit or loss	Recognised in other comprehensive income	As at 31 March 2025
Deferred tax assets:				
- Expenses allowable on payment basis	292	112	9	413
- Expected credit loss allowance	50	(5)	-	45
- Expenses allowed on deferred basis under income tax	6	-	-	6
- Lease liabilities	57	(0)	-	57
- Others	10	-	-	10

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 23: Deferred tax liabilities (net) (Contd..)

FY 2024-2025	As at 1 April 2024	Recognised in Statement of profit or loss	Recognised in other comprehensive income	As at 31 March 2025
Deferred tax liabilities:				
- Excess depreciation as per Income tax Act, 1961 over depreciation as per books	(1,152)	(131)	-	(1,283)
- Right of use assets	(54)	-	-	(54)
Total deferred tax liabilities (net)	(791)	(24)	9	(806)

FY 2025-2026	As at 1 April 2025	Recognised in Statement of profit or loss	Recognised in other comprehensive income	As at 31 March 2026
Deferred tax assets:				
- Expenses allowable on payment basis	413	(154)	(27)	232
- Expected credit loss allowance	45	(3)	-	42
- Expenses allowed on deferred basis under income tax	6	-	-	6
- Lease liabilities	57	280	-	337
- Others	10	-	-	10
Deferred tax liabilities:				
- Excess depreciation as per Income tax Act, 1961 over depreciation as per books	(1,283)	(89)	-	(1,372)
- Right of use assets	(54)	(400)	-	(454)
Total deferred tax liabilities (net)	(806)	(366)	(27)	(1,199)

Note 24: Trade payables

	As at 31 March 2026	As at 31 March 2025
(a) Total outstanding dues of micro enterprise and small enterprises (Refer note 49)	2,070	1,078
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	15,209	19,011
Total	17,279	20,089

Note: Refer note 39(b) for information about liquidity risk and market risk of trade payables.

Trade payables ageing schedule as at 31 March 2026:

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	< 1 years	1 year to 2 years	2 year to 3 years	> 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	1,616	454	-	-	-	2,070
Total outstanding dues of creditors other than micro enterprises and small enterprises	312	11,737	2,983	41	5	131	15,209
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	312	13,353	3,437	41	5	131	17,279

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 24: Trade payables (Contd..)

Trade payables ageing schedule as at 31 March 2025:

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	< 1 years	1 year to 2 years	2 year to 3 years	> 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	475	595	7	1	-	1,078
Total outstanding dues of creditors other than micro enterprises and small enterprises	233	12,614	6,016	17	3	128	19,011
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	233	13,089	6,611	24	4	128	20,089

Also refer to note-49

Note 25: Other current liabilities

	As at 31 March 2026	As at 31 March 2025
Advance from customers	76	39
Deferred government grant	2	2
Statutory dues	369	368
Total	447	409

Note 26: Current tax liabilities (net)

	As at 31 March 2026	As at 31 March 2025
Provision for income tax (net of advance tax of Rs. 7,413 (31 March 2025: Rs. 7,019))	802	758
Total	802	758

Note 27: Revenue from operations

	Year ended 31 March 2026	Year ended 31 March 2025
Sale of products:		
Finished goods	99,016	85,759
Traded goods	757	592
Sale of services:		
Job work charges	479	1,734
Product development charges	190	-
Other operating revenues:		
Scrap sales	723	610
Export incentive	1,375	1,143
Total	102,540	89,838

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 27: Revenue from operations (Contd..)

Revenue (excluding other operating revenue) disaggregation by geography (location of destination of shipment) is as follows:

	Year ended 31 March 2026	Year ended 31 March 2025
Geography:		
India	56,070	53,502
Outside India:		
Europe (including united kingdom)	32,925	23,701
Japan	3,261	3,081
Israel	883	1,647
USA	2,313	1,336
Latin America	1,000	1,481
Others	3,990	3,337
Total	100,442	88,085

Information about major customers:

Revenue from 1 customer of the Company amounting to Rs. 49,699 (previous year: Rs. 42,549) constitute more than 10% of the total revenue of Company.

Changes in Unbilled revenue are as follows:

	Year ended 31 March 2026	Year ended 31 March 2025
Balance at the beginning of the year	5	1,360
Invoices raised during the year	(5)	(1,360)
Revenue recognised during the year (yet to be invoiced)	12	5
Balance at the end of the year	12	5

Reconciliation of revenue recognised with the contracted price is as follows:

	Year ended 31 March 2026	Year ended 31 March 2025
Contracted price	100,478	88,145
Reductions towards variable consideration components*	(36)	(60)
Revenue recognised	100,442	88,085

*The reduction towards variable consideration comprises of trade discount.

Contract balances

	As at 31 March 2026	As at 31 March 2025
Trade receivables	20,350	25,128
Trade receivables-Unbilled	12	5
Contract Liabilities- Current [#]	76	39

[#]Contract liabilities primarily relate to advance consideration received from customers against supply of goods for which revenue is recognised at a point in time. During the year, the Company recognised revenue of Rs. 39 (previous year Rs. 93), relating to advance from customers at the beginning of the year. The closing balance of contract liabilities as at the year end, comprising advances from customers, will be recognised as revenue in next year.

Trade receivables are net of expected credit loss and loss allowance on credit impaired assets.

Timing of revenue recognition:

	As at 31 March 2026	As at 31 March 2025
- Point in time	100,442	88,085
Revenue from contracts with customers	100,442	88,085

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for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 28: Other income

	Year ended 31 March 2026	Year ended 31 March 2025
(i) Interest income on financial assets measured at amortised cost:		
- on fixed deposits	54	37
- others	485	18
(ii) Income from investment:		
- Gain on sale / fair valuation of investments	35	31
(iii) Others:		
- Expected credit loss on trade receivables written back	14	19
- Liability no longer required written back	25	10
- Rental income	4	4
- Exchange gain on foreign exchange fluctuation (net)	704	-
- Others	-	2
Total	1,321	121

Note 29: Cost of materials consumed

	Year ended 31 March 2026	Year ended 31 March 2025
Raw Materials:		
Inventory at the beginning of the year	9,838	6,353
Add: Purchases during the year	63,599	62,222
Less: Inventory at the end of the year	(11,216)	(9,838)
Total	62,221	58,737

Note 30: Purchases of stock-in-trade

	Year ended 31 March 2026	Year ended 31 March 2025
Stock-in-trade	283	307
Total	283	307

Note 31: Changes in inventories of finished goods, work-in-progress and stock-in-trade

	Year ended 31 March 2026	Year ended 31 March 2025
Opening stock		
Work-in-progress	4,064	3,230
Finished goods	6,937	2,500
Less:	11,001	5,730
Closing stock		
Work-in-progress	8,360	4,064
Finished goods	3,443	6,937
Total	11,803	11,001
Total	(802)	(5,271)

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 32: Employee benefits expense

	Year ended 31 March 2026	Year ended 31 March 2025
Salaries, wages and bonus	8,724	8,030
Contribution to provident and other funds	1,035	899
Staff welfare expenses	653	580
Total	10,412	9,509

Note: Refer note 43 for related party transaction

Note 33: Finance costs

	Year ended 31 March 2026	Year ended 31 March 2025
Interest expense on financial liabilities measured at amortized cost	1,408	1,643
Interest expenses on lease liabilities	154	60
Other borrowing cost	119	80
Total	1,681	1,783

Note: Refer note 43 for related party transaction

Note 34: Depreciation and amortization expense

	Note	Year ended 31 March 2026	Year ended 31 March 2025
Depreciation of property, plant and equipment	3	2,244	2,084
Depreciation of right of use assets	4	470	291
Amortization of intangible assets	5	103	105
Total		2,817	2,480

Note 35: Other expense

	Year ended 31 March 2026	Year ended 31 March 2025
Stores and spares consumed	392	397
Power and fuel	7,574	6,403
Repairs and maintenance	2,227	2,064
Sub-contracting charges	1,555	1,197
Rent	102	44
Rates and taxes	55	74
Insurance charges	301	247
Traveling and conveyance	967	799
Commission on sales	60	44
Packing expenses	839	645
Freight and handling expenses	1,171	1,335
Job work expenses	62	228
Legal and professional fees (refer note (a & b) below)	527	458
Charity and donations (other than political parties)	5	10
Corporate Social Responsibility expenditure (refer note 45)	141	182
Advances written off	50	24
Property, plant and equipment written off	-	16
Loss on sale of plant, property and equipment (net)	14	2
Marketing and promotional expenses	203	232
Exchange loss on foreign exchange fluctuations	-	79

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 35: Other expense (Contd..)

	Year ended 31 March 2026	Year ended 31 March 2025
Pollution control expenses	596	718
Factory Maintenance and housing charges	349	315
Quality control expenses	183	171
IT and communication expenses	123	144
Unrealised loss on derivatives contracts	303	-
Miscellaneous expenses	1,036	803
Total	18,835	16,631

Notes:

- (a) Refer note 43 for related party transaction
- (b) Payments to the statutory auditor (excluding taxes as applicable):

	Year ended 31 March 2026	Year ended 31 March 2025
As auditor		
Statutory audit	33	29
Limited review	16	16
Others	1	9
Reimbursement of expenses	1	2
Total	51	56

Note 36: Exceptional item

	Note	Year ended 31 March 2026	Year ended 31 March 2025
Litigation settlements	(a)	-	418
Impact of new Labour Codes	(b)	208	-
Total		208	418

- (a) During the previous year, the Company had received demand order from Department of Goods and Services tax (Government of Maharashtra) office of the Dy. commissioner of state tax relating to FY 2019-20 of Rs. 769 lakhs including interest and penalty on account of non-payment of Goods and Service Tax on transfer of leasehold right by the Company in that year. The Company, after taking view of their legal counsel had decided to avail benefit of Amnesty Scheme u/s 128A of CGST Act, 2017 and paid Rs. 418 lakh towards full and final settlement of the above demand order in the previous year. Considering the amount being material, the same has been shown as exceptional item in the statement of profit and loss for the previous year.
- (b) On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (hereinafter referred to as the "New Labour Codes") - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations.

In accordance with the New Labour Codes, the Company has assessed and disclosed the incremental impact of these changes on the basis of best information available, which has resulted in increase in provision for employee benefits by Rs. 208 lakh during the financial year 2025-2026. Considering the impact arising out of an enactment of the new legislation is an event of non-recurring nature, the Company has presented such incremental impact as "Impact of New Labour Codes" under "Exceptional Items" (as per FAQ's issued by ICAI) in the standalone financial statement for the year ended March 31, 2026.

The Company continues to monitor the finalisation of Central/ State Rules and clarifications from the Government on other aspects of the New Labour Codes and will continue to assess the accounting implications, basis such developments/ guidance.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 37: Tax expense

a) Income tax recognized in statement of profit and loss

	Year ended 31 March 2026	Year ended 31 March 2025
Current tax:		
- Current year	1,799	1,374
- Adjustments in respect of earlier years	(101)	(11)
	1,698	1,363
Deferred tax:		
Attributable to:		
Origination and reversal of temporary differences	365	25
	365	25
Total tax expense recognised	2,063	1,388

b) Reconciliation of effective tax rate

	Year ended 31 March 2026	Year ended 31 March 2025
Accounting profit before income tax	8,206	5,365
Tax at Company's statutory tax rate of 25.168% (31 March 2025: 25.168%)	2,065	1,350
Effect of expense that are non-deductible expenses in determining taxable profits	40	50
Effect of change with respect to earlier years	(101)	(11)
Others	59	(1)
Income tax expense recognised in the statement of profit and loss	2,063	1,388

c) Income tax expense recognised in other comprehensive income

	Year ended 31 March 2026	Year ended 31 March 2025
Arising on income and expenses recognized in other comprehensive income		
Remeasurement of defined benefit obligation	(22)	12
Equity investments through other comprehensive income- net change in fair value	(5)	(3)
Total income tax recognised in other comprehensive income	(27)	9
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will not be reclassified to profit or loss	(27)	9
	(27)	9

Note 38: Earnings per share

	Year ended 31 March 2026	Year ended 31 March 2025
Profit after tax for basic and diluted earnings per share	6,143	3,977
Weighted average number of equity shares for basic and diluted earnings per share	12,262,185	12,262,185
Basic and diluted earnings per share (face value of Rs. 10 each)	50.11	32.44

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 39(a): Fair values

Financial instruments by category and fair values	Note	Level of hierarchy	As at 31 March 2026			As at 31 March 2025		
			FVTPL	Amortised cost	FVOCI	FVTPL	Amortised cost	FVOCI
Financial assets								
Non current								
Investment in quoted equity shares	(a)	1	-	-	1	-	-	1
Investment in unquoted equity shares - Subsidiary	(f)		-	1,600	-	-	-	-
Investment in unquoted equity shares - Others	(a)	3	-	-	174	-	-	156
Other financial assets	(b)		-	494	-	-	471	-
Current								
Investment	(a)	1	-	-	-	226	-	-
Trade receivables	(c)		-	20,363	-	-	25,133	-
Cash and cash equivalents	(c)		-	810	-	-	1,270	-
Other bank balances	(c)		-	632	-	-	494	-
Loans	(c)		-	2,473	-	-	2,087	-
Other financial assets	(c)		-	1,243	-	-	2,108	-
Total financial assets			-	27,615	175	226	31,563	157
Financial liabilities								
Non-current								
Borrowings	(d)		-	3,742	-	-	7,926	-
Lease liability	(d)		-	832	-	-	879	-
Other financial liabilities (derivative contracts)	(e)	2	227	-	-	-	-	-
Current								
Borrowings	(c)		-	10,495	-	-	7,767	-
Lease liability			-	353	-	-	217	-
Trade payables	(c)		-	17,279	-	-	20,089	-
Other financial liabilities (derivative contracts)	(c), (e)	2	76	5,333	-	-	4,394	-
Total financial liabilities			303	38,034	-	-	41,272	-

- (a) For quoted investments, market value is taken as fair value. The fair value in respect of the unquoted equity investments has currently measured at net book value as per the latest audited financial statements available.
- (b) Fair value of non-current financial assets and financial liabilities has not been disclosed as there is no significant differences between carrying value and fair value.
- (c) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.
- (d) The Company's non-current borrowings have been contracted at market rates of interest. Accordingly, the carrying value of such non-current borrowings approximates fair value. Further, fair value measurement of lease liabilities is not required to be disclosed.
- (e) The Company enters into derivative financial instruments (cross currency interest rate swap) with HDFC Bank Limited. The valuation of derivatives recorded in the books of accounts is basis the Mark-to-Market (MTM) valuation provided by the HDFC Bank Limited.
- (f) The company has elected to measure its investment in SD Agchem (wholly owned subsidiary), at its cost as per paragraph 10 of Ind AS 27.

There are no transfers between level 1, level 2 and level 3 during the current year and previous year

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 39(a): Fair values (Contd..)

Reconciliation of fair value measurement of unquoted equity shares classified as FVOCI

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Balance at the beginning of the year	156	143
Re-measurement recognized in OCI	18	13
Balance at the end of the year	174	156

Note 39(b): Financial risk management

Risk management framework

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 analyze the risk 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 regularly to effect changes in market conditions and Company's activities. The Company, through its training and management standards and procedures, aims to maintain discipline and constructive control environment in which all employees understand their roles and obligations.

The Company's audit committee oversees how management monitors compliance with Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risk faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the result of which are reported to audit committee.

The Company has exposure to the following risks arising from financial instruments:

- Credit risk (see (i));
- Liquidity risk (see (ii));and
- Market risk (see (iii))

(i) 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. The carrying amount of financial assets represents the maximum credit risk exposure and arises principally from the Company's receivable from customers and loans. The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the Balance Sheet:

Particulars	As at 31 March 2026	As at 31 March 2025
- Investments (net of impairment)	1,775	383
- Trade receivables	20,363	25,133
- Cash and cash equivalents	810	1,270
- Other bank balances	632	494
- Loans	2,473	2,087
- Other financial assets	1,737	2,579

Trade receivables

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 39(b): Financial risk management (Contd..)

The Company's exposure to credit risk for trade receivables by geographic region is as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Within India	12,347	17,265
Outside India	8,016	7,868

The carrying amount of the Company's most significant customer is Rs. 5,605 (31 March 2025: Rs. 8,998).

The Company based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using lifetime expected credit loss. Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables.

Particulars	Gross carrying amount	Expected credit loss allowance	Carrying amount
31 March 2026			
Less than 6 Months	19,534	-	19,534
More than 6 Months	881	52	829
	20,415	52	20,363
31 March 2025			
Less than 6 Months	24,054	-	24,054
More than 6 Months	1,146	66	1,080
	25,200	66	25,134

The movement in the allowance for impairment in respect of trade receivables is as follows

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Balance as at the beginning of the year	66	85
Amounts written back	(14)	(19)
Balance as at the end of the year	52	66

The loans primarily represents security deposits and advances recoverable. The management believes these to be high quality assets with negligible credit risk. The management believes the parties to which these deposits and loans have been given have strong capacity to meet the obligations and where the risk of default is negligible or nil and accordingly no provision for excepted credit loss has been provided on these financial assets. Credit risk on cash and cash equivalents and bank deposits is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies.

Cash and cash equivalents

The Company holds cash and cash equivalents of Rs. 810 at 31 March 2026 (31 March 2025: Rs. 1,270). The cash and cash equivalents (other than cash on hand) are held with scheduled banks.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Company's approach to manage liquidity is to have sufficient liquidity to meet it's liabilities when they are due, under both normal and stressed circumstances, without incurring unacceptable losses or risking damage to the Company's reputation.

Management manages the liquidity risk by monitoring cash flow forecasts on a periodic basis and maturity profiles of financial assets and liabilities. This monitoring takes into account the accessibility of cash and cash equivalents and additional undrawn

Notes to the Standalone Financial Statements

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(All amounts in Indian Rupees Lakh except for share data)

Note 39(b): Financial risk management (Contd..)

financing facilities. The Company will continue to consider various borrowings or leasing options to maximize liquidity and supplement cash requirements as necessary.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

	Contractual Cash Flows				
	Carrying Amount	Total	Less than 1 year	1 to 5 years	> 5 years
As at 31 March 2026					
Borrowings (including current maturities)	14,237	14,237	10,495	3,742	-
Lease liabilities	1,185	1,401	449	951	-
Trade and other payables	17,279	17,279	17,102	177	-
Other financial liabilities (including derivative liability)	5,637	5,683	5,410	273	-
Total	38,338	38,599	33,456	5,143	-
As at 31 March 2025					
Borrowings (including current maturities)	15,693	15,707	9,600	6,107	-
Lease liabilities	1,096	1,362	314	1,048	-
Trade and other payables	20,089	20,089	19,933	156	-
Other financial liabilities (including derivative liability)	4,394	4,394	4,394	-	-
Total	41,272	41,552	34,241	7,311	-

(iii) Market risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(a) Commodity price risk

The Company is exposed to the movement in price of key raw materials in domestic and international markets. The Company has in place policies to manage exposure to fluctuations in the prices of the key raw materials used in operations. The Company manages fluctuations in raw material price through hedging in the form of advance procurement when the prices are perceived to be low and also enters into advance buying contracts as strategic sourcing initiative in order to keep raw material prices under check to the extent possible.

A reasonably possible change of 0.50 % in raw material prices during the year would have affected the profit or loss by the amounts shown below.

Particulars	Profit or Loss		Equity, net of tax	
	Increased	Decreased	Increased	Decreased
Year ended 31 March 2026				
Raw material price (0.50% movement)	313	(313)	232	(232)
Year ended 31 March 2025				
Raw material price (0.50% movement)	295	(295)	220	(220)

(b) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings with floating interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees with a mix of fixed and floating rates of interest. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 39(b): Financial risk management (Contd..)

borrowings and using interest rate swaps as hedges of the variability in cash flows attributable to movements in interest rates. The exposure of the Company's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:

The exposure of the Company's borrowing to fixed interest rate as reported at the end of the reporting period are as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Fixed rate borrowings	4,413	7,940
Floating rate borrowings	9,824	7,767
Total borrowings (gross of transaction cost)	14,237	15,707

Interest rate sensitivity analysis

A reasonably possible change of 0.50 % in interest rates at the reporting date would have affected the profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Profit or Loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
Year ended 31 March 2026				
Interest rate (0.5% movement)	49	(49)	13	(13)
Year ended 31 March 2025				
Interest rate (0.5% movement)	39	(39)	10	(10)

(c) Foreign currency risk

Foreign currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Company's operating, investing and financing activities.

Unhedged foreign currency exposure

The following table provides details of the Company's exposure to currency risk:

Foreign Exchange Exposures outstanding at the year end	Currency	As at 31 March 2026		As at 31 March 2025	
		Amount in indian currency	Amount in foreign currency*	Amount in indian currency	Amount in foreign currency*
Trade receivable	EUR	1,511	14	2,055	22
	USD	6,505	68	6,045	71
Trade payable	EUR	134	1	113	1
	USD	3,452	36	3,579	42
Advances recoverable from related party	EUR	2,456	22	2,076	22
Due to subsidiaries	EUR	1,838	17	1,553	17
EEFC Account	EUR	10	0	-	-
	USD	8	0	-	-

*Amount in foreign currency is in lakh

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against below currencies at 31 March 2026 and 31 March 2025 would have affected the measurement of financial instruments denominated in foreign currency and affected Statement of Profit and Loss by the amounts shown below. This analysis is performed on foreign currency denominated

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 39(b): Financial risk management (Contd..)

monetary financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Profit or Loss (Rs. in lakh)		Equity, net of tax (Rs. in lakh)	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2026				
USD (2% movement)	(61)	61	(46)	46
EURO (2% movement)	(40)	40	(30)	30
31 March 2025				
USD (2% movement)	(49)	50	(37)	37
EURO (2% movement)	(49)	50	(37)	37

Note 40: Capital management

(i) Risk management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The management monitors the return on capital, as well as the level of dividends to equity shareholders.

The Company monitors capital using a ratio of 'total debt' to 'total equity'. For this purpose, total debt is defined as total borrowings. Equity comprises all components of equity (as shown in the Balance Sheet).

The Company's debt to equity ratio was as follows.

Particulars	As at 31 March 2026	As at 31 March 2025
Total debt	14,237	15,693
Total equity	44,289	38,434
Debt to equity ratio	0.32	0.41

(ii) Dividends

	Year ended 31 March 2026	Year ended 31 March 2025
Final dividend paid for the year ended 31 March 2025 of Rs. 3.00 (31 March 2024: Rs. 3.00) per fully paid equity share*	368	368
Dividend not recognised at the end of the year		
In addition to the above dividend, the Board of Directors have recommended payment of final dividend of Rs. 3.00 (31 March 2025: Rs. 3.00) per fully paid equity share. The proposed dividend is subject to the approval of the shareholders in the ensuing annual general meeting. The dividend declaration is in accordance with section 123 of the companies Act, 2013 to the extent its applies to declaration of dividend.	368	368

*Final dividend has been paid on the number of shares issued by the Company till the date of annual general meeting after approval of shareholders and is in accordance with section 123 of Companies Act, 2013.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 41: Employee benefits

A. Assets and liabilities relating to employee benefits

Particulars	As at 31 March 2026	As at 31 March 2025
Non-current		
Liability for gratuity	202	854
Liability for compensated absences	244	426
Total (A)	446	1,280
Current		
Liability for gratuity	366	283
Liability for compensated absences	177	219
Total (B)	543	502
Total (A+B)	989	1,782

For details about the related employee benefit expenses, refer to note 32.

B. Defined contribution plan

a. Provident fund and employee's state insurance

The Company's provident fund scheme and employee's state insurance (ESI) fund scheme are defined contribution plans. Under the scheme, the Company is required to contribute a specified percentage of payroll cost, as specified in the rules of the scheme, to these defined contribution schemes. The contributions to the scheme are charged to the statement of profit and loss in the period when the contributions are due.

b. Superannuation Fund

Superannuation Fund is a defined contribution scheme and contributions to the scheme are charged to the statement of profit and loss in the period when the contributions are due. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The Company has recognised following amounts as expense in the Statement of Profit and Loss :

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Amounts included in contribution to provident and other funds (refer note 32)		
Provident Fund	547	505
Superannuation Fund	214	223
ESI contribution	29	29
Gratuity Fund (Contribution to LIC)	243	142
Labour Welfare Fund	2	
Total	1,035	899

C. Defined benefit plan - Gratuity

The employees' gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The Company made annual contributions to the LIC of India of an amount advised by the LIC.

The above defined benefit plan exposes the Company to following risks:

Interest rate risk:

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 41: Employee benefits (Contd..)

Salary inflation risk:

Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Company has not changed the processes used to manage its risks from previous periods. The funds are managed by specialised team of Life Insurance Corporation of India.

a) Funding

Gratuity is a funded benefit plan for qualifying employees. 100% of the plan assets are managed by LIC. The assets managed are highly liquid in nature and the Company does not expect any significant liquidity risks.

The following table sets out the status of the defined benefit plan as required under Ind AS 19 - Employee Benefits:

b) Reconciliation of present value of defined benefit obligation and fair value of plan assets

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	2,302	2,285
Interest cost	161	165
Current service cost	148	140
Past service cost	147	-
Benefits paid	(189)	(330)
Actuarial loss/(gain) recognised in other comprehensive income		
- from changes in financial assumptions	(76)	36
- from experience adjustments	-	6
Balance at the end of the year	2,493	2,302

c) Reconciliation of the present value of plan assets

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	1,165	1,115
Expected Interest Income	115	77
Contributions paid by the employer	797	223
Benefits paid	(116)	(250)
Balance at the end of the year	1,961	1,165

d) Amount recognized in statement of profit and loss

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Total service cost	295	140
Interest cost on benefit obligation	59	85
Amount recognized in statement of profit and loss	354	225

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 41: Employee benefits (Contd..)

e) Remeasurements recognised in other comprehensive income

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Actuarial (gain)/ loss for the year on defined benefit obligation	(76)	42
(Gain)/ loss on plan assets (excluding interest income)	(13)	4
Total Actuarial loss for the year	(89)	46

f) Plan assets

100% of the plan assets are managed by LIC

g) Actuarial assumptions

(i) Economic assumptions: The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yield available on the Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

Particulars	As at 31 March 2026	As at 31 March 2025
Discount rate (per annum)	7.70%	6.98%
Future salary growth rate (per annum)	5.75%	5.75%
Expected rate of return on plan assets (per annum)	7.60%	7.05%
Expected average remaining working lives (years)	17.96	18.04

(ii) Demographic assumptions:

Particulars	As at 31 March 2026	As at 31 March 2025
Retirement Age	58	58
Mortality rate	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
Attrition rate		
Upto 30 years	3%	3%
31 to 44 years	2%	2%
44 years and above	1%	1%

h) Sensitivity analysis on defined benefit obligation on account of change in significant assumption:

Particulars	As at 31 March 2026		As at 31 March 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(73)	77	(71)	75
Future salary growth rate (0.5% movement)	75	(72)	73	(70)
Attrition rate (0.5% movement)	6	(6)	6	(6)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same methods (present value of defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 41: Employee benefits (Contd..)

i) Expected future benefit payments

Undiscounted amount of expected benefit payments for next 10 years are as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Within 1 year	389	283
1-2 year	274	243
2-3 year	287	233
3-4 year	220	245
4-5 year	189	189
5-10 years	1,134	1,111

j) Weighted average duration and the expected employers contribution for next year of the defined benefit plan:

Particulars	As at 31 March 2026	As at 31 March 2025
Weighted average duration of the defined benefit plan (in years)	14.42	14.50
Expected employers contribution for next year	217	242

Note 42: Contingent liabilities and commitments (to the extent not provided for)

(a) Claims against the company not acknowledged as debts

Particulars	Note	As at 31 March 2026	As at 31 March 2025
Income Tax matters	(i)	114	1,265
Sales tax matters		11	11
Service tax matters		1	1
GST matters	(ii)	710	598
		836	1,875

Notes: (i)

Assessment Year	Remarks	As at 31 March 2026	As at 31 March 2025
2008-09	Case closed by ITAT	-	18
2009-10	Case closed by ITAT	-	298
2013-14	Case is pending with ITAT against partial favourable CIT(A) orders	-	21
2014-15	The case is pending with CIT(A)	62	62
2015-16	Case is pending with ITAT against partial favourable CIT(A) orders	-	113
2016-17	Case is pending with ITAT against partial favourable CIT(A) orders	-	4
2017-18	Case closed by ITAT	-	684
2018-19	The case is pending with CIT(A)	52	65
		114	1,265

During the year, the Company received final orders from the Income Tax Appellate Tribunal (ITAT), Chandigarh for Assessment Years (AY) 2008-09, 2009-10, 2017-18 (ITAT) with partial relief. Further, for AY 2013-14, 2015-16, and 2016-17 the company received partial relief from Commissioner of Income Tax (Appeals) during the current year. Subsequently, the Company received appeal effect orders from the jurisdictional Assessing Officer. Considering these orders, the Company has recognized interest income on income tax refunds amounting to Rs. 468 lakh and has written back income tax provisions aggregating to Rs. 101 lakh (net of necessary provision retained in respect of partial disallowances, which if sustained shall result in reduction in utilized brought

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 42: Contingent liabilities and commitments (to the extent not provided for) (Contd..)

forward losses and hence consequential demand in subsequent years) during the year ended 31 March 2026. Accordingly, the contingent liability is no longer required in respect of such matters.

The Company is in appeal with respect to the partial disallowances provided in orders passed by CIT(A) before the ITAT Chandigarh, in respect of AY 2013-14, 2015-16, and 2016-17. The next hearing for all these years is scheduled on 08 July 2026. In addition for ITAT orders, in respect of disallowances penalty has been levied which is in dispute with CIT(A) for AY 2008-09 and 2009-10.

- (ii) In earlier years, the Directorate of Revenue Intelligence – Kolkata had initiated an inquiry in relation to the manner in which the Company was claiming refund of IGST on input material at the time of export. The matter was referred to Commissioner Ludhiana and the Company received summons from the office of Central goods and Service tax commissioner, Ludhiana seeking further documents in relation to the above.

Further, on 1 May 2023, the Company received a show cause notice dated 24 April 2023 from the office of the Principal Commissioner, Central GST Commissionerate, Ludhiana in relation to refund of Rs. 4,496 of IGST wrongly claimed in contravention of Rule 96(10) along with related interest and penalties as applicable. The Company filed a writ petition and obtained a stay from high court for further action by office of central goods and service tax commissioner. The next hearing in the high court is scheduled on 13 May 2026.

The Company believes that basis legal advice relying on Kerala High Court Judgement, it has not caused any loss to the exchequer and it was entitled to claim refund in accordance with the laws as applicable and that it has reasonable legal grounds to defend its position.

Additionally, central government had issued a circular in the year 2024 in which it was clarified that Exporters who have taken the refund in contravention of rule 96(10) of CGST rules can now pay the IGST amount on concerned imports along with interest with retrospective effect, and in that case the refund already taken under rule 96(10) will not be considered as non-compliance of GST rules. Considering the above circular, the Company based on its best estimate computed the interest liability of Rs. 710 (previous year Rs. 598) for late payment of IGST under the said 2024 circular. The management believes that they will be entitled to Input tax credit on such IGST paid under the 2024 circular and hence have recorded contingent liability limited to interest in possible eventuality of an adverse high court ruling in respect of the contravention of Rule 96(10) matter.

- (iii) During the earlier years, the Company had received a notice of eviction in relation to the Pune facility which was under a lease arrangement. Such matter was under appeal in the court of district Pune and we had received the stay order in relation to the above.

During the year, the company has entered into the final agreement with lessor for a period of 5 year effective from 1 april 2025. For the past litigation pending in the Pune district court, both the parties have agreed to withdraw the litigation from the court. Next hearing is expected to be on 7 May 2026.

(b) Other Commitments

Particulars	As at 31 March 2026	As at 31 March 2025
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	116	265

Note:

- (1) The Company has extended comfort letters to provide continued financial support to its wholly-owned subsidiary to ensure that the subsidiary is able to meet its debts, commitments and liabilities as they fall due and it continues as going concerns.

Note 43: Related party disclosures

I. List of related parties and nature of related party relationship, where control exists:

Description of Relationship	Name of the Party
Wholly owned Subsidiary	S D Agchem (Europe) NV

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 43: Related party disclosures (Contd..)

II. List of related parties and nature of relationship with whom transactions have taken place during the current / previous year

Description of Relationship	Name of the Party
Entities in which KMP's are interested	Hemsil Trading & Manufacturing Private Limited
	Shroff Family Master Trust
	Salil ShashiKumar Shroff HUF
	Akola Chemicals (India) Private Limited
Key managerial personnel	Mr. Mukesh Dahyabhai Patel (Chairman) (Non Executive Non-Independent Director)
	Mr. Shalil Shashikumar Shroff (Managing Director)
	Mr. Vijay Dilbagh Rai (Non Executive Non-Independent Director)
	Capt. Surjit Singh Chopra (Retd.) (Non Executive Non-Independent Director)
	Mr. Shivshankar Shripal Tiwari (Non Executive Non-Independent Director)
	Mr. Avtar Singh (Non Executive Non-Independent Director)
	Mrs. Aruna Rajendra Bhinge (Non Executive Independent Director)
	Mrs. Tara Subramaniam (Non Executive Independent Director)
	Mr. Sheo Prasad Singh (Non Executive Independent Director) (upto 30 April, 2025)
	Mr. Kapil Kumar Mehan (Non Executive Independent Director) (w.e.f 30 April, 2025)
	Mr. Suresh Arora (Non Executive Independent Director) (w.e.f 30 April, 2025)
	Mr. Vinod Kumar Gupta (Chief Executive Officer)
	Mr. Devender Gupta (Chief Financial Officer) (w.e.f 16 December, 2025)
	Mr. Vikash Khanna (Chief Financial Officer) (from 26 March 2025 to 15 September, 2025)
	Mr. Ashish Ramdas Nayak (Chief Financial Officer) (upto 31 January, 2025)
	Mrs. Rishu Chatley (Company Secretary & Compliance Officer)
Relatives of key managerial personnel	Ms. Malvika Shraey Gupta (daughter of Mr. Shalil Shashikumar Shroff)
	Mr. Jaskaran Singh (son of Mr. Avtar Singh)
	Ms. Sonal Tiwari (daughter of Mr. Shivshankar Shripal Tiwari)

III. Transactions with related parties during the current / previous year

Nature of transactions	Year ended 31 March 2026	Year ended 31 March 2025
a. Sale of goods		
SD Agchem (Europe) N.V.	6,761	1,943
Akola Chemicals (India) Private Limited	205	118
b. Payment of lease rent		
Shroff Family Master Trust	232	225
Salil ShashiKumar Shroff HUF	20	18
Ms. Malvika Shraey Gupta	66	61
c. Interest expense		
Hemsil Trading and Manufacturing Private Limited	182	182
d. Employee benefits		
Short term employee benefits		
Mr. Shalil Shashikumar Shroff	339	301
Mr. Vinod Kumar Gupta	412	447
Mr. Devender Gupta	31	-
Mr. Ashish Ramdas Nayak	-	82
Mr. Vikash Khanna	53	2
Mrs. Rishu Chatley	30	27
Mr. Jaskaran Singh	25	23
e. Commission		
Executive Directors	500	85
Non Executive Directors	74	42

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(All amounts in Indian Rupees Lakh except for share data)

Note 43: Related party disclosures (Contd..)

Nature of transactions	Year ended 31 March 2026	Year ended 31 March 2025
f. Sitting Fees		
Non Executive Directors	14	15
g. Legal & Professional		
Mr. Shivshankar Shripal Tiwari	65	16
Ms. Sonal Tiwari	42	42
h. Investment in equity share capital		
SD Agchem (Europe) N.V.	1,600	-

Break-up of compensation of key managerial personnel of the Company	Year ended 31 March 2026	Year ended 31 March 2025
Short-term employee benefits (including commission)	1,439	985
Post-employment benefits	34	32
Total	1,473	1,017

IV. Outstanding balances as at year end

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Other financial liabilities*		
SD Agchem (Europe) N.V.	1,838	1,553
Trade receivables*		
SD Agchem (Europe) N.V.	1,393	1,787
Akola Chemical (India) Private Limited	48	-
Investments (net of impairment)		
SD Agchem (Europe) N.V.	1,600	-
Advances given*		
SD Agchem (Europe) N.V.	2,456	2,076
Borrowings (including accrued interest)		
Hemsil Trading and Manufacturing Private Limited	1,625	1,625
Security deposit		
Mr. Shalil Shashikumar Shroff	-	2
Commission payable		
Executive Directors	500	85
Non Executive Directors	74	42
Employee related liabilities		
Executive Directors	24	19
Other Key managerial personnel	25	30
Relatives of key managerial personnel	1	1
Legal and professional fees payable		
Mr. Shivshankar Shripal Tiwari	-	15
Ms. Sonal Tiwari	4	4

*repayable on demand on net basis

V. Terms and conditions of transactions with related parties

The transaction with related parties are made on terms equivalent to those that prevail in arm's length transactions and within ordinary course of business.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 44: Ratio Analysis

a) Current ratio = Current assets divided by current liabilities

Particulars	31 March 2026	31 March 2025
Current assets*	53,264	55,754
Current liabilities	35,328	35,964
Ratio	1.51	1.55
% Change from previous year	-2.74%	

* Including assets classified as held for sale.

Reason for change more than 25%: NA

b) Debt equity ratio = Debt divided by total shareholder's equity

Particulars	31 March 2026	31 March 2025
Debt	14,237	15,693
Total equity	44,289	38,434
Ratio	0.32	0.41
% Change from previous year	-21.27%	

Reason for change more than 25%: NA

c) Debt service coverage ratio = Earnings available for debt services divided by debt services

Particulars	31 March 2026	31 March 2025
Profit after tax	6,143	3,977
Add: Non cash operating expenses and finance cost		
- Depreciation and amortization expense	2,817	2,480
- Finance costs	1,681	1,783
- PPE written off	-	16
- Advance written off	50	24
Earnings available for debt services	10,691	8,280
Debt Services		
Interest and lease payments	455	261
Principal repayments	1,118	1,828
Interest on Borrowings	1,562	1,703
Total Debt Services	3,135	3,792
Ratio	3.41	2.18
% Change from previous year	56.18%	

Reason for change more than 25%:

The ratio has increased from 2.18 in March 2025 to 3.41 in March 2026 mainly due to increase in profit.

d) Return on equity ratio / return on investment ratio = Net profit after tax divided by average shareholder's equity

Particulars	31 March 2026	31 March 2025
Net profit after tax	6,143	3,977
Average shareholder's equity	41,362	36,642
Ratio	14.85%	10.85%
% Change from previous year	36.88%	

Reason for change more than 25%:

The ratio has increased from 10.85% in March 2025 to 14.85% in March 2026 mainly due to increase in profit.

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for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 44: Ratio Analysis (Contd..)

e) Inventory turnover ratio = Net Sales divided by average inventory

Particulars	31 March 2026	31 March 2025
Net Revenue	102,540	89,838
Average inventory	23,407	17,751
Ratio	4.38	5.06
% Change from previous year	-13.44%	

Reason for change more than 25%: NA

f) Trade receivables turnover ratio = Net sales divided by average trade receivables

Particulars	31 March 2026	31 March 2025
Net Revenue	102,540	89,838
Average trade receivables	22,748	22,928
Ratio	4.51	3.92
% Change from previous year	15.04%	

Reason for change more than 25%: NA

g) Trade payables turnover ratio = Credit purchases divided by average trade payables

Particulars	31 March 2026	31 March 2025
Net purchases	63,882	62,529
Other expenses*	18,570	16,244
Total	82,452	78,773
Average trade payables	18,684	15,903
Ratio	4.41	4.95
% Change from previous year	-10.91%	

Reason for change more than 25%: NA

* Refer Note 35 for Other expenses, below other expenses have not been considered for above ratio calculation:

Corporate Social Responsibility expenditure	141	182
Property, plant and equipment written off	0	16
Rates and taxes	55	74
Charity and donations (other than political parties)	5	10
Loss on sale of plant, property and equipment (net)	14	2
Exchange loss on foreign exchange fluctuations	0	79
Advances written off	50	24
Total	265	387

h) Net capital turnover ratio = Net sales divided by capital

Particulars	31 March 2026	31 March 2025
Net Revenue	102,540	89,838
Working Capital (Total current assets minus total current liabilities)	17,937	19,790
Ratio	5.72	4.54
% Change from previous year	25.93%	

Reason for change more than 25%:

The ratio has increased from 4.54 in March 2025 to 5.72 in March 2026 mainly due to increase in balance recoverable from government authorities.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 44: Ratio Analysis (Contd..)

i) Net profit ratio = Net profit after tax divided by Net Revenue

Particulars	31 March 2026	31 March 2025
Net profit after tax	6,143	3,977
Net Revenue	102,540	89,838
Ratio	5.99%	4.43%
% Change from previous year	35.31%	

Reason for change more than 25%:

The ratio has increased from 4.43% in March 2025 to 5.99% in March 2026 mainly due to increase in sales and profit.

j) Return on capital employed = Earnings before interest and taxes (EBIT) divided by capital employed

Particulars	31 March 2026	31 March 2025
Profit before tax	8,206	5,365
Add: Finance costs	1,681	1,783
EBIT	9,887	7,148
Total assets	86,063	83,461
Less: Total liabilities	(41,774)	(45,027)
Other intangible assets	(177)	(265)
Tangible net worth	44,112	38,169
Total Debt	14,237	15,693
Deferred tax liability	1,199	806
Capital employed	59,548	54,668
Ratio	16.60%	13.08%
% Change from previous year	26.98%	

Reason for change more than 25%:

The ratio has increased from 13.08% in March 2025 to 16.60% in March 2026 mainly due to increase in profit and decreased in liabilities.

Note 45: Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate social responsibility (CSR) activities. A CSR Committee has been formed by the company as per the Act. The CSR Committee and Board had approved the projects with specific outlay on the activities as specified in Schedule VII of the act, in pursuant of the CSR policy:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
a) Gross amount required to be spent by the Company during the year	141	181
b) Amount approved by the Board to be spent during the year	141	181
c) Amount spent during the year on (in cash):		
(i) Construction / Acquisition of any asset	-	-
(ii) On purpose other than (i) above	141	182
d) Excess/ (Shortfall) at the end of the year	-	1
e) Total of previous years shortfall	-	-
f) Details of related party transactions	-	-
g) 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 should be shown separately	-	-
h) Reason for shortfall:	NA	NA
i) Nature of CSR Activities:		

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 45: Corporate Social Responsibility (Contd..)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
i) Eradicating poverty including health care facilities	23	43
ii) Promoting education	85	116
iii) Rural development projects	28	23
iv) Promotion and development of traditional art and handicrafts	5	-

Note 46: Segment Information

The Executive Management Committee (Board of Director and key managerial personnel) monitors the operating results of the segment 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. For management purpose, the Company has identified "Performance Chemicals" as single operating segment.

A) Information about geographical areas

Year ended 31 March 2026

	Sale of goods*	Sale of services*	Non current assets*
India	55,401	669	30,478
Outside India			
Europe (including united kingdom)	32,925	-	-
Japan	3,261	-	-
Israel	883	-	-
USA	2,313	-	-
Latin America	1,000	-	-
Others	3,990	-	51
Total	99,773	669	30,529

Year ended 31 March 2025

	Sale of goods*	Sale of services*	Non current assets*
India	51,768	1,734	26,975
Outside India			
Europe (including united kingdom)	23,701	-	-
Japan	3,081	-	-
Israel	1,647	-	-
USA	1,336	-	-
Latin America	1,481	-	-
Others	3,337	-	105
Total	86,351	1,734	27,080

*Sale of goods and sale of services has been presented based on the geographical location of the customers.

*Non-current assets are excluding financial instruments and deferred tax assets and have been presented based on the geographical location of assets.

B) Information about major customers

Revenue from 1 customer of the Company amounting to Rs. 49,699 (previous year: Rs. 42,549), constitute more than 10% of the total revenue of Company.

Note 47:

As at 31 March 2026, the Company has certain advances recoverable from its wholly owned subsidiary viz. SD Agchem (Europe) N.V., located outside India, amounting to Rs. 2,456 (previous year Rs. 2,076) against expenses incurred on its behalf and certain dues towards it amounting to Rs. 1,838 (previous year Rs. 1,553). The Company intends to settle these balances on net basis amounting Rs. 618.

The Company is in the process of submitting application with AD Bankers for obtaining approval for settlement/adjustment of these old outstanding receivable and payable. Based on legal opinion obtained management believes exposure of interest and penalty under FEMA regulation is remote.

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 48: Disclosures pursuant to Section 186 of the Companies Act, 2013:

Particulars	As at 31 March 2026	As at 31 March 2025
(i) Investment in equity shares: Dena Bank Limited merged with Bank of Baroda		
Balance as at the year end	0	0
Maximum amount outstanding at any time during the year	0	0
(ii) Investment in equity shares: Syndicate Bank Limited merged with Canara Bank		
Balance as at the year end	0	0
Maximum amount outstanding at any time during the year	0	0
(iii) Investment in equity shares: Nimbua Green Field (Punjab) Limited		
Balance as at the year end	166	148
Maximum amount outstanding at any time during the year	166	148
(iv) Investment in equity shares: Mohali Green Environment Private Limited		
Balance as at the year end	8	8
Maximum amount outstanding at any time during the year	8	8
(v) Investment in subsidiary		
Balance as at the year end	1,600	-
Maximum amount outstanding at any time during the year	1,600	-
(vi) Advances given to subsidiary*		
Balance as at the year end	618	523
Maximum amount outstanding at any time during the year	618	523

*Advances recoverable from subsidiary of Rs. 2,456 (previous year Rs. 2,076) which will be net settled against amount payable to subsidiary of Rs. 1,838 (previous year Rs. 1,553). Wherever an amount is represented as Rs. "0" (zero) it construes a value less than rupees fifty thousand.

Note 49: Disclosures of Micro and Small Enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondences with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of amounts payable to such enterprises as at the year end has been made in the financial statements based on information available with the Company as under :

Particulars	As at 31 March 2026	As at 31 March 2025
(a) The amounts remaining unpaid to micro, small and medium enterprises as at the end of the year		
- Principal	2241	1,326
- Interest	0	10
(b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of payment made to the supplier beyond the appointed day during each accounting year	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during each accounting year) but without adding the interest specified under the MSMED act 2006.	57	80
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year	310	254
(e) The amount of further interest due and payable even in the succeeding years, until the date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	310	254

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 50:

The Company had certain unsettled "advance from customer", "trade payable" and "trade receivables" from an overseas customer which have been outstanding since earlier years. During the earlier year, as a result of product registration regulatory issues faced by the customer, the Company and the customer had preferred to enter into a settlement arrangement pursuant to which the original contract for supply of goods stands terminated. As a result of this termination of contract of supply of goods, the advance received from customer aggregating to Rs. 1,232 (restated in current year) (previous year: Rs. 1,107), was classified as "other financial liabilities". Consequentially, during the earlier year, the Company had also recognised Rs. 284 as settlement income (net of certain expenses aggregating to Rs. 225 already incurred pursuant to the original contract of supply) within other operating income and had set up a recoverable of Rs. 590 (restated in current year) (previous year: Rs. 530) as "other financial assets". Further in earlier years the company had supplied goods and against which trade receivables of Rs. 466 (restated in the current year) (previous year Rs. 420) is outstanding as at the year end.

In view of the settlement agreement made during the earlier year, the Company had filed applications with the Reserve Bank of India through its Authorised dealer Bank of Baroda, Mumbai Branch under the relevant provisions of FEMA seeking to rectify the online records on EDPMS/ ICEGATE portal and condone the unintended delay caused in settling the account due to circumstances beyond the control as well as to seek approval from RBI to set off the related assets and liabilities as shown separately in the financial statement pursuant to the terms of the settlement arrangement.

Further during the previous year, the company has obtained legal opinion on exposure of interest and penalty as per FEMA regulation. As per opinion, the possibility of imposition of penalty and interest is remote.

Particulars	As at 31 March 2026	As at 31 March 2025
Other financial liabilities	1,232	1,107
Other financial assets	590	530
Trade receivables	466	420
Net Payable	176	157

Note 51: Additional regulatory information required by Schedule III of the Companies Act 2013:

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company does not have any transactions with companies struck off.
- The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- None of the entities in the Company have been declared wilful defaulter by any bank or financial institution or government or any government authority.
- The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- The Company including the "Companies in the Group" (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) do not have any Core Investment Company ("CIC")
- 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

Notes to the Standalone Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 52: The Company has filed applicable quarterly statement of current assets with banks and these are in agreement with books of account for all three quarters in the current year and all four quarters of previous year. The statements of fourth quarter in current financial year was not yet due.

Note 53: The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulation under sections 92-92F of the Income-Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documentation for the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by the due date as required under law. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of income tax expense and that of provision for taxation.

Note 54: There are no subsequent events occurred after the reporting date, other than those disclosed that require adjustments to the assumptions and disclosures in the standalone financial statements.

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm Registration No. 101248W/W-100022

For and on behalf of the Board of Directors of

Punjab Chemicals and Crop Protection Limited

Anurag Maheshwary

Partner

Membership No. : 506533

Mukesh Dahyabhai Patel

Chairman

DIN: 00009605

Place: Vadodara

Shalil Shashikumar Shroff

Managing Director

DIN: 00015621

Place: Mumbai

Vinod Kumar Gupta

Chief Executive officer

Rishu Chatley

Company Secretary &

Compliance officer

Membership No. : 19932

Devender Gupta

Chief Financial Officer

Place: Gurugram

Date: 2 May 2026

Place: Derabassi

Date: 1 May 2026

Place: Derabassi

Place: Derabassi

Independent Auditor's Report

To
The Members of
Punjab Chemicals and Crop Protection Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Punjab Chemicals and Crop Protection Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2026, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2026, of its consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

Key audit matter

See Note 2(j) and 27 to consolidated financial statements

The key audit matter

The Group recognizes revenue from sales of products and services when control over goods is transferred/ services are rendered to customer based on specific terms and conditions of contracts entered into with respective customers.

We have identified recognition of revenue as a key audit matter as:-

- revenue is a key performance indicator; and
- there is a presumed fraud risk of revenue being overstated through manipulation of the timing and amount of revenue recognized due to pressures to achieve performance targets as well as meeting external expectations.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

How the matter was addressed in our audit

In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:

- We assessed the compliance of the revenue recognition accounting policies against the requirement of Ind AS 115 i.e. Revenue from contracts with customers.
- We evaluated the design, implementation and operating effectiveness of key financial controls with respect to revenue recognition on selected transactions.
- We performed substantive testing by obtaining independent confirmations of transactions from certain customers selected on quantitative and qualitative basis to verify accuracy and existence of the revenue being recognized in the correct accounting period. Further for remaining population (including subsidiary), we performed substantive testing by using combination of statistical and specific sampling for revenue transactions recorded during the financial year. For such samples, verified the underlying

The key audit matter	How the matter was addressed in our audit
	documents, including customer purchase orders, invoices, gate outward register, customer acceptances, shipping documents (where applicable) and subsequent receipts in the bank statements (where applicable) to assess whether these are recognized accurately in the appropriate period in which control is transferred or services are provided. • We tested journals posted to revenue ledger selected based on specified risk-based criteria to identify unusual items. • We tested, on a sample basis which are selected based on statistical sampling with respect to discounts and returns to assess whether these have been recorded accurately in the relevant period. • We selected specific samples for revenue transactions recorded during specified period around the year end date and checked whether revenue has been recognised in the correct reporting period by examining the underlying documents and terms of arrangement. • We assessed the adequacy of presentation and disclosures in the financial statements with respect to the requirement of applicable financial reporting framework including Ind AS 115.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and auditor's report(s) thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are

responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 with reference to financial statements 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 Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, 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. A. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of the Holding Company as on 01 April 2026 taken on record by the Board of Directors of the Holding Company,

- none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.
- f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f)] below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2026 on the consolidated financial position of the Group. Refer Note 42 to the consolidated financial statements.
 - b. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 39 to the consolidated financial statements in respect of such items as it relates to the Group.
 - c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2026.
 - d. (i) The management of the Holding Company represented that, to the best of their knowledge and belief, as disclosed in the Note 51 to the consolidated 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 Holding Company or any of such subsidiary companies to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The management of the Holding Company represented that, to the best of their knowledge and belief, as disclosed in the Note 51 to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
 - e. The final dividend paid by the Holding Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.
- As stated in Note 40(ii) to the consolidated financial statements, the Board of Directors of the Holding Company has 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.

- f. Based on our examination which included test checks, the Holding Company has used accounting software for maintaining its books of accounts including third party software used for payroll process, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded except for the third party software where we are unable to comment on the audit trail feature on the database layer due to lack of the supporting evidence. Further, where audit trail (edit log) facility was enabled and operated throughout the year, we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Holding Company as per the statutory requirements for record retention except for the period where audit trail was not enabled.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company, to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company, is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Anurag Maheshwary

Partner

Place: Gurugram

Date: 2 May 2026

Membership No.: 506533

ICAI UDIN:26506533DRBERA3310

Annexure A

to the Independent Auditor's Report on the Consolidated Financial Statements of Punjab Chemicals and Crop Protection Limited for the year ended 31 March 2026

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, following company incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualification or adverse remarks given by its auditor in his report under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Punjab Chemicals and Crop Protection Limited	L24231PB1975 PLC047063	Holding Company	(vii)

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Anurag Maheshwary

Partner

Membership No.: 506533

ICAI UDIN:26506533DRBERA3310

Place: Gurugram

Date: 2 May 2026

Annexure B

to the Independent Auditor's Report on the consolidated financial statements of Punjab Chemicals and Crop Protection Limited for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

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

Opinion

In conjunction with our audit of the consolidated financial statements of Punjab Chemicals and Crop Protection Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2026, we have audited the internal financial controls with reference to financial statements of the Holding Company, as of that date.

In our opinion, the Holding Company, has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of such internal controls 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 and Board of Directors' Responsibilities for Internal Financial Controls

The Holding Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Holding Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the

Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 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 adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 judgement, including the assessment of the risks of material misstatement of the consolidated 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 internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include 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 with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Anurag Maheshwary

Partner

Place: Gurugram

Date: 2 May 2026

Membership No.: 506533

ICAI UDIN:26506533DRBERA3310

Consolidated Balance Sheet

as at 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

	Note	As at 31 March 2026	As at 31 March 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3	25,551	23,791
Right of use assets	4	1,588	1,087
Capital work-in-progress	3	1,745	1,302
Intangible assets	5	350	454
Intangible assets under development	5	130	104
Financial assets			
(i) Investments	6	175	157
(ii) Other financial assets	7	507	482
Other tax assets (net)	8	1,324	442
Other non-current assets	9	14	88
Total non-current assets		31,384	27,907
Current assets			
Inventories	10	24,577	22,237
Financial assets			
(i) Investments	6	-	226
(ii) Trade receivables	11	20,350	23,537
(iii) Cash and cash equivalents	12	870	1,298
(iv) Bank balances other than (iii) above	13	632	494
(v) Loans	14	17	11
(vi) Other financial assets	7	1,243	2,108
Other current assets	15	3,197	2,212
Total current assets		50,886	52,123
Assets classified as held for sale	16	30	30
Total assets		82,300	80,060
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	1,226	1,226
Other equity	18	41,121	35,245
Total equity		42,347	36,471
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	19	3,742	6,098
(ii) Lease liabilities	20	832	879
(iii) Other financial liabilities	21	227	-
Provisions	22	446	1,280
Deferred tax liabilities (net)	23	1,199	806
Total non-current liabilities		6,446	9,063
Current liabilities			
Financial liabilities			
(i) Borrowings	19	10,495	9,595
(ii) Lease liabilities	20	353	217
(iii) Trade payables			
- Total outstanding dues of micro enterprises and small enterprises	24	2,070	1,078
- Total outstanding dues of creditors other than micro enterprises and small enterprises	24	15,225	19,030
(iv) Other financial liabilities	21	3,571	2,841
Other current liabilities	25	448	409
Provisions	22	543	502
Current tax liabilities (net)	26	802	854
Total current liabilities		33,507	34,526
Total liabilities		39,953	43,589
Total equity and liabilities		82,300	80,060

Material accounting policies

2.1

Notes to the consolidated financial statements

3-54

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm Registration No: 101248W/W-100022

Anurag Maheshwary

Partner

Membership No: 506533

For and on behalf of the Board of Directors of

Punjab Chemicals and Crop Protection Limited
Mukesh Dahyabhai Patel

Chairman

DIN.: 00009605

Place: Vadodara

Vinod Kumar Gupta

Chief Executive Officer

Shalil Shashikumar Shroff

Managing Director

DIN: 00015621

Place: Mumbai

Rishu Chatley

Company Secretary

& Compliance officer

Membership No.: 19932

Place: Derabassi

Devender Gupta

Chief Financial Officer

Place: Derabassi

Place: Gurugram

Date: 2 May 2026

Place: Derabassi

Date: 2 May 2026

Consolidated Statement of Profit and Loss

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Particulars	Note	Year ended 31 March 2026	Year ended 31 March 2025
Revenue from operations	27	102,980	90,052
Other income	28	1,368	143
Total income		104,348	90,195
EXPENSES			
Cost of materials consumed	29	62,221	58,737
Purchases of stock-in-trade	30	283	307
Changes in inventories of finished goods, stock-in- trade and work-in progress	31	(802)	(5,271)
Employee benefits expense	32	10,412	9,509
Finance costs	33	1,682	1,783
Depreciation and amortisation expense	34	2,864	2,504
Other expenses	35	19,053	16,851
Total expenses		95,713	84,420
Profit before tax and exceptional item		8,635	5,775
Exceptional items	36	208	418
Profit before income tax		8,427	5,357
Tax expenses	37		
Current tax		1,666	1,439
Deferred tax charge / (credit)		365	25
Total tax expenses		2,031	1,464
Profit for the year		6,396	3,893
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurements of defined benefit liability/ (asset)		89	(46)
- Fair value change on equity investments through other comprehensive income		18	13
Income tax relating to items that will not be reclassified to profit or loss			
- Remeasurements of defined benefit (asset)/ liability		(22)	12
- Fair value change on equity investments through other comprehensive income		(5)	(3)
Items that will be reclassified subsequently to profit or loss:			
- Exchange difference in translating financial statements of foreign operations		(232)	(46)
Other comprehensive (loss) for the year (net of tax)		(152)	(70)
Total comprehensive income for the year		6,244	3,823
Earnings per equity share (face value of Rs. 10)	38		
Basic and diluted (Rs.)		52.17	31.75

Material accounting policies

2.1

Notes to the consolidated financial statements

3-54

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For **BSR & Co. LLP**

Chartered Accountants

Firm Registration No: 101248W/W-100022

Anurag Maheshwary

Partner

Membership No: 506533

For and on behalf of the Board of Directors of

Punjab Chemicals and Crop Protection Limited

Mukesh Dahyabhai Patel

Chairman

DIN: 00009605

Place: Vadodara

Vinod Kumar Gupta

Chief Executive Officer

Shalil Shashikumar Shroff

Managing Director

DIN: 00015621

Place: Mumbai

Rishu Chatley

Company Secretary
& Compliance officer
Membership No.: 19932

Place: Derabassi

Devender Gupta

Chief Financial Officer

Place: Derabassi

Place: Gurugram

Date: 2 May 2026

Place: Derabassi

Date: 2 May 2026

Consolidated Statement of Cash Flow

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

	Year Ended 31 March 2026	Year Ended 31 March 2025
A. Cash flow from operating activities		
Profit before tax	8,427	5,357
Adjustments for:		
Depreciation and amortization expense	2,864	2,504
Liability no longer required written back	(25)	(10)
Interest income	(539)	(55)
Finance cost	1,682	1,783
Unrealised foreign exchange (gain) (net)	(196)	(38)
Advances written off	50	24
Loss on sale of property, plant and equipment (net)	14	2
(Gain) on fair valuation of investments	-	(31)
Property, plant and equipment written off	-	16
Rental income	(4)	(4)
Unrealised loss on derivatives contracts	303	-
Expected credit loss on trade receivable written back	(14)	(19)
Operating cash flow before working capital changes	12,562	9,529
Changes in working capital:		
Decrease/(increase) in trade receivables	3,452	(3,744)
(Increase) in inventories	(2,341)	(8,971)
(Increase) in other current and non-current assets	(1,027)	(501)
Decrease/(increase) in current and non-current other financial assets	841	(745)
Decrease in current and non-current loans	377	48
(Decrease)/increase in trade payables and other liabilities	(2,909)	8,312
Increase/(decrease) in other current financial liabilities	467	(288)
(Decrease) in long-term and short-term provisions	(704)	(38)
Cash generated from operating activities	10,718	3,602
Income tax paid (net)	(2,164)	(1,080)
Net cash generated from operating activities (A)	8,554	2,522
B. Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets (including capital advances)	(4,574)	(3,361)
Proceeds from sale of property, plant and equipment	49	31
Purchase of other investments	-	(300)
Proceeds from other investments	226	750
Movement in other bank balances (net)	(3)	(131)
Investment in fixed deposits	(184)	(117)
Proceeds from fixed deposits	53	32
Interest received	65	66
Rental income	4	4
Net cash flows (used in) investing activities (B)	(4,364)	(3,026)
C. Cash flow from financing activities		
Proceeds from non-current borrowings	114	2,621
Repayments of non-current borrowings	(2,818)	(1,244)
Payment of lease liabilities (Principal)	(882)	(293)
Payment of lease liabilities (Interest)	(154)	(60)
Proceeds from current borrowings (net)	1,248	2,258
Payment of dividend	(366)	(364)
Finance cost paid	(1,528)	(1,713)
Net cash flows (used in)/ generated from financing activities (C)	(4,386)	1,205
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(196)	701
Effect of exchange (loss) on cash and cash equivalents	(232)	(46)
Cash and cash equivalents at the beginning of the year	1,298	643

Consolidated Statement of Cash Flow

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

	Year Ended 31 March 2026	Year Ended 31 March 2025
Cash and cash equivalents at the end of the year	870	1,298
Notes :		
1. Cash and cash equivalents include :		
Balances with banks - in current accounts	866	1,292
Cash on hand	4	6
	870	1,298

2. The above statement of cash flow has been prepared under the indirect method set out in the applicable Indian Accounting Standard (Ind AS) 7 on "Statement of Cash Flows". Also, refer to note 2(q).

3. Reconciliation of movements of current and non-current borrowings to cash flows arising from financing activities

	As at 31 March 2026	As at 31 March 2025
Borrowings at the beginning of the year (current and non-current borrowings)	15,693	12,058
Proceeds from non-current borrowings	114	2,621
Repayment of non-current borrowings	(2,818)	(1,244)
Proceeds from current borrowings (net)	1,248	2,258
Borrowings at the end of the year (current and non-current borrowings)	14,237	15,693

4. Reconciliation of movements of lease liabilities to cash flows arising from financing activities during the year:

	As at 31 March 2026	As at 31 March 2025
Balance as at beginning of the year	1,096	225
Additions	971	1,164
Accreditation of interest	154	60
Payment of lease liabilities	(1,036)	(353)
Balance as at end of the year	1,185	1,096

5. During the year, the Holding Company paid Rs. 141 (previous year: Rs. 182) towards corporate social responsibility (CSR) expenditure (included in Corporate social responsibility expenditure - Refer note 46).

Material accounting policies

2.1

Notes to the consolidated financial statements

3-54

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm Registration No: 101248W/W-100022

Anurag Maheshwary

Partner

Membership No: 506533

For and on behalf of the Board of Directors of

Punjab Chemicals and Crop Protection Limited

Mukesh Dahyabhai Patel

Chairman

DIN: 00009605

Place: Vadodara

Shalil Shashikumar Shroff

Managing Director

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Membership No.: 19932

Devender Gupta

Chief Financial Officer

Place: Gurugram

Date: 2 May 2026

Place: Derabassi

Date: 2 May 2026

Place: Derabassi

Place: Derabassi

Consolidated Statement of Changes in Equity

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

a. Equity share capital:

	Note	Amount
Balance as at 1 April 2025	17	1,226
Changes in equity share capital during the year		-
Balance as at 31 March 2026	17	1,226
Balance as at 1 April 2024		1,226
Changes in equity share capital during the year		-
Balance as at 31 March 2025		1,226

b. Other Equity:

Particulars	Reserves and surplus						Other comprehensive income		Total other equity
	Capital reserve	Securities premium	Capital redemption reserve	Capital reduction reserve	Amalgamation reserve	Retained earnings	Equity instruments through other comprehensive income	Foreign currency translation reserve	
Balance as at 1 April 2025	314	5,707	28	21	19	29,293	31	(168)	35,245
Total comprehensive income for the year ended 31 March 2026									
- Profit for the year	-	-	-	-	-	6,396	-	-	6,396
- Other comprehensive (income) (net of tax)	-	-	-	-	-	67	13	(232)	(152)
Total comprehensive income for the period	-	-	-	-	-	6,463	13	(232)	6,244
Transactions with owners of the Company Contributions and distributions									
- Final equity dividend for the financial year 2024-2025 (Amount Rs. 3 per share)	-	-	-	-	-	(368)	-	-	(368)
Total Contributions and distributions for the year	-	-	-	-	-	(368)	-	-	(368)
Balance as at 31 March 2026	314	5,707	28	21	19	35,388	44	(400)	41,121
Balance as at 1 April 2024	314	5,707	28	21	19	25,802	21	(122)	31,790
Total comprehensive income for the year ended 31 March 2025									
- Profit for the year	-	-	-	-	-	3,893	-	-	3,893
- Other comprehensive (loss)/ income (net of tax)	-	-	-	-	-	(34)	10	(46)	(70)
Total comprehensive income for the year	-	-	-	-	-	3,859	10	(46)	3,823
Transactions with owners of the Company Contributions and distributions									
- Final equity dividend for the financial year 2023-2024 (Amount Rs. 3 per share)	-	-	-	-	-	(368)	-	-	(368)
Total Contributions and distributions for the year	-	-	-	-	-	(368)	-	-	(368)
Balance as at 31 March 2025	314	5,707	28	21	19	29,293	31	(168)	35,245

Note: Refer note 18 for nature and purpose of other equity

Material accounting policies

2.1

Notes to the consolidated financial statements

3-54

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W-100022

Anurag Maheshwary
Partner
Membership No: 506533

For and on behalf of the Board of Directors of
Punjab Chemicals and Crop Protection Limited
Mukesh Dahyabhai Patel
Chairman
DIN: 00009605
Place: Vadodara

Shalil Shashikumar Shroff
Managing Director
DIN: 00015621
Place: Mumbai

Vinod Kumar Gupta
Chief Executive Officer

Rishu Chatley
Company Secretary
& Compliance officer
Membership No.: 19932

Devender Gupta
Chief Financial Officer

Place: Gurugram
Date: 2 May 2026

Place: Derabassi
Date: 2 May 2026

Place: Derabassi

Place: Derabassi

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

Note 1. Reporting entity

Punjab Chemicals and Crop Protection Limited (Corporate identification number: L24231PB1975PLC047063) ("the Company" or "the Holding Company") is a public limited company domiciled in India and incorporated under the provisions of Companies Act, 1956 and is continuing to exist under the Companies Act, 2013. The Holding Company's shares are listed on BSE Limited and National Stock Exchange of India Limited. The registered office of the Holding Company is situated at Milestone 18, Ambala Kalka Road, Village & P.O. Bhankharpur, Derabassi, Distt. SAS Nagar, Mohali (Punjab)-140201.

These consolidated financial statements comprise the financial statements of the Company and its subsidiaries (together referred to as the 'Group'). The Group is engaged in business of manufacturing of agro chemicals, speciality chemicals and bulk drugs and its intermediates.

Note 2. Basis of preparation

(i) Statement of compliance

These Consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of Companies Act, 2013, ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 and under relevant provision of the Act as amended from time to time.

These consolidated financial statements have been prepared for the Group on the going concern basis in accordance with accounting principles generally accepted in India and on the basis of relevant Ind AS that are effective on a reporting date i.e. March 31, 2026. All assets and liabilities have been classified as current and non-current as per the Group's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Group has considered an operating cycle of 12 months. The Consolidated financial statements for the year ended 31 March 2026 were approved for issue by the Holding Company's Board of Directors on 1 May 2026.

(ii) Functional and presentation currency

The Group's consolidated financial statements are presented in Indian rupees, which is the functional currency of the Holding Company. These financial statements are presented in Indian rupees. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

(iii) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Equity securities at FVOCI	Fair value
Derivative Financial instruments	Fair value
Net defined benefits (assets)/ liability	Fair value of the plan assets less present value of defined benefits obligations

(iv) Use of estimates and judgments

The preparation of consolidated financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

Financial reporting results rely on the estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecast and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. Estimates and Judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. The Management believes that the estimates used in preparation of these financial statements are prudent and reasonable. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group.

Judgements

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- Note 2(j) and 27 – revenue recognition: whether revenue is recognized over time or at a point in time,

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

- Note 2(e) and 20 – lease term: whether the Group is reasonably certain to exercise extension option

Assumptions and estimation uncertainties

In particular, Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements is included in the following notes:

- Note 2(d) and 3 – Assessment of useful life and residual value of Property, plant and equipment
- Note 2(p), 2(o) and 42 – Recognition and measurement of provision and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources
- Note 2(m) and Note 41 – Measurement of defined benefit obligations: key actuarial assumptions
- Note 2(i) – Impairment of financial assets
- Note 2(h) and Note 10 – Valuation of inventories

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices included in 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: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the changes have occurred. Further information about the assumptions made in measuring fair values used in preparing these financial statements is included note 41(a).

Note 2.1 Material Accounting Policies

(a) Current versus non-current classification

The Group presents assets and liabilities in the Statement of Assets and Liabilities based on current/non-current classification.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

(b) Measurement of fair values

A number of the Group's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to measurement of fair values. This includes the top management division which is responsible for overseeing all significant fair value measurements, including Level 3 fair values. The top management division regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the top management division assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirement of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group's board of directors.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

(c) Principles of consolidation

The consolidated financial statements comprises the financial statement of the Holding Company, and its subsidiary as at 31 March 2026. Control is achieved when the Holding Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee.
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The details of the consolidated entity are as follows:

S. No.	Name	Country of Incorporation	Percentage of ownership
1	SD Agchem (Europe) NV	Belgium	100 %

Consolidation procedure

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

(ii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(iii) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional

currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Currency exchange differences are generally recognised in profit or loss, except foreign currency exchange differences arising from the translation of the following items which are recognised in OCI

- an investment in equity securities designated as at FVOCI (except on impairment, in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss).

(iv) Foreign operations

The assets and liabilities of foreign operations (i.e subsidiary) including fair value adjustments arising on acquisition, are translated into Indian Rupees, the functional currency of the Holding Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Indian Rupees at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Such exchange differences are recognised in OCI and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation).

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to NCI.

(d) Financial instrument

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 are recognised when the Group becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. However, trade receivables that do not contain a significant financing component are measured at transaction price.

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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 Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments at amortised cost
- Equity instruments measured at fair value through other comprehensive income (FVOCI) or
- Equity instruments measured at fair value through profit and loss (FVTPL).

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability. 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 in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the Group's management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;

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- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVPL. For all other equity instruments, the Group may make an irrevocable adoption to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss to retained earnings.

Equity instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Derecognition of financial assets

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 Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group 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 (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing

involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVPL. A financial liability is classified as at FVPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

Derecognition of financial liabilities

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 derecognition 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 and Loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Impairment of financial assets: The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(e) Property, plant and equipment ('PPE')

Recognition and measurement

Items of PPE are stated at cost, which includes capitalized finance costs, less accumulated depreciation and/or accumulated impairment loss. Cost includes expenditure that is directly attributable to the acquisition of the items.

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Cost of an item of a PPE comprises its purchase price including import duty, and other non-refundable taxes after deducting any trade discounts and rebates and any directly attributable cost of bringing the asset to its working condition for its intended use.

The cost of a self-constructed item of PPE comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. Expenditure incurred on startup and commissioning of the project and/or substantial expansion, including the expenditure incurred on trial runs (net of trial run receipts, if any) up to the date of commencement of commercial production are capitalised. If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

The cost of an item of property, plant and equipment shall be recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Freehold land is carried at historical cost less any accumulated impairment losses.

Advances paid towards acquisition of PPE outstanding at each Balance Sheet date, are shown under other non-current assets and cost of assets not ready for intended use before the year end, are shown as capital work-in-progress.

Any gain or loss on disposal of an item of PPE is recognised in the Statement of Profit and Loss.

Subsequent expenditure

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation

Depreciation is calculated on cost of items of PPE less their estimated residual values over their estimated useful lives using the straight-line method and is recognised in the Statement of Profit and Loss.

Depreciation on items of PPE is provided as per rates corresponding to the useful life specified in Schedule II to the Companies Act, 2013 read with the notification dated 29 August 2014 of the Ministry of Corporate Affairs except for certain classes of PPE which are depreciated based on

the internal technical assessment of the management. The estimated useful lives of items of PPE for the current and comparative periods are as follows:

Particulars	Useful life as per Schedule II	Management estimate of useful life
Building - Factory	30 Years	5,10,15,17 - 25 Years
Building - Office	60 Years	28,30,50 & 58 Years
Plant and equipment	3 - 15 Years	5 - 20 Years
Electrical installations	10 Years	10 - 15 Years
Vehicles	8 Years	5 & 8 Years
Furniture and fittings	10 Years	3, 5 & 10 Years
Computers	3 years	3 & 5 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on additions (disposal) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

Derecognition

An item of PPE is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of a PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss.

(f) 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.

Leases in which the Group is a lessee

The Group's lease asset classes primarily consist of leases for buildings, plant and equipment, furniture and fixtures and leasehold land. The Group, at the inception of a contract, assesses whether the contract is a lease or not. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

The Group recognises a right-of-use asset ("ROU") and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate

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of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a

change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'financial liabilities' in the statement of financial position.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The Group recognises the lease payments associated with these leases as an expense in the Statement of Profit or Loss over the lease term.

(g) Intangible assets

Acquired Intangible

Intangible assets that are acquired (including implementation of software system) are measured initially at cost. Cost of an item of Intangible asset comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

Advances paid towards acquisition of intangible assets outstanding at each Balance Sheet date, are shown under other non-current assets and cost of assets not ready for intended use before the year end, are shown as intangible assets under development.

After initial recognition, an intangible asset is carried at its cost less accumulated amortisation and any accumulated impairment loss.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates. All other expenditure is recognised in Statement of Profit and Loss as incurred.

Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method and is included in depreciation and amortisation expense in Statement of Profit and Loss.

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The estimated useful lives are as follows:

Computer software	3 - 5 Years
Product registrations (including task charges, task force studies and other related expenses)	10 Years
Technical know-how	5 Years

Derecognition

Intangible assets is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

(h) Inventories

Inventories are valued at lower of cost or net realisable value. The methods of determining cost of various categories of inventories are as follows:

Raw materials (except goods in transit)	Weighted average method
Packing material	Weighted average method
Stores and spares	Weighted average method
Work-in-progress and finished goods (manufactured)	Weighted average including an appropriate share of variable and fixed production overheads. Fixed production overheads are included based on normal capacity of production facilities.
Stock-in-trade	Weighted average method

The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.

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

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost, except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value. The Group reviews the condition of its inventories and makes provision against obsolete and slow moving inventory items which are identified as no longer suitable for sale or use.

The comparison of cost and net realisable value is made on an item-by-item basis.

(i) Impairment

Impairment of financial assets

The Group recognises loss allowances for expected credit loss on financial assets measured at amortised cost. At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have detrimental impact on the estimated future cash flows of the financial assets have occurred.

Evidence that the financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the trade receivables, borrower or issuer;
- the breach of contract such as a default or being past due for 3 years or more;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial re-organisation; or
- the disappearance of active market for a security because of financial difficulties.

The Group measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- Bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both

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quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 3 years past due.

The Group considers a financial asset to be in default when:

- the trade receivable is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 3 years past due.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. difference between the cash flow due to the Group in accordance with the contract and the cash flow that the Group expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowance for financial assets measured at the amortised cost is deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtors do not have assets or sources of income that could generate sufficient cash flows to repay the amount subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedure for recovery of amounts due.

Impairment of non-financial assets

The Group's non-financial assets other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows (i.e. corporate assets) are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future

cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Group's corporate assets (e.g. head office building for providing support to CGU) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. An impairment loss in respect of assets for which impairment loss has been recognized in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(j) Revenue from contract with customers

Revenue is measured based on the consideration specified in the contract with a customer. The Group recognizes revenue when it transfers control over a good or service to a customer.

The Group applies the revenue recognition criteria to each separately identifiable component of the Revenue transaction as set out below:

Sale of products

The Group recognises revenue generally at the point in time when the products are delivered or dispatch to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer in accordance with terms of the contract.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. No element of financing is deemed present as the sales are made against the receipt of advance, letter of credit or with an agreed credit period ranging from 30 to 180 days, which is consistent with the market practices. A receivable is recognised when performance obligation is satisfied as this is the point in time that the consideration is unconditional because only passage of time is required before payment is due.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

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Contract liability is recognised when there is billings in excess of revenues.

Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for in the period of such change.

Trade receivables are measured at transaction price adjusted for expected credit loss.

The Group disaggregates revenue from contracts with customers by geography.

Use of Judgement in Revenue Recognition

The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Sale of services

Sale of services includes processing manufacture and manpower charges in respect of job work services provided by the Company. Revenue in respect of sale of services is recognized over time or at a point in time in accordance with the terms of the contract.

Export incentives

Export incentive entitlements are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

(k) Recognition of interest income or expense

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of

the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

(l) Employee benefits

Short-term employee benefits

All employee benefits falling due within twelve months of the end of the period in which the employees render the related services are classified as short-term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured accordingly.

Post-employment benefits

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards employee provident fund and employee state insurance scheme ('ESI') to Government administered scheme which is a defined contribution plan. The Group's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service. Certain employees of the Group are also participants in the superannuation plan ('the Plan'), a defined contribution plan. The Group makes contributions to Life Insurance Corporation of India (LIC). Contribution made by the Group to the plan during the year is charged to Statement of Profit and Loss.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity is a defined benefit plan. The administration of the gratuity scheme has been entrusted to the Life Insurance Corporation of India ('LIC') for certain employees. The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The Group's net obligation in respect of gratuity is calculated separately by estimating the amount of future benefit that employees have earned in

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the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

"Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in OCI."

Other long-term employee benefits:

Compensated absences

As per the Group's policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilised during the service, or encashed. Encashment can be made during service, on early retirement, on withdrawal of scheme, at resignation and upon death of the employee. Accumulated compensated absences are treated as other long-term employee benefits. The Group's obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. Such obligation such as those related to compensate absences is measured on the basis of an actuarial valuation performed annually by a qualified actuary using the projected unit cost credit method. The obligations are presented as current liabilities in the balance sheet if the Group does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

Actuarial valuation

The liability in respect of all defined benefit plans is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurement gains and losses in respect of all defined benefit plans arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in other equity in the Statement of Changes in Equity and in the Balance Sheet. Changes

in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Any differential between the plan assets (for a funded defined benefit plan) and the defined benefit obligation as per actuarial valuation is recognised as a liability if it is a deficit or as an asset if it is a surplus (to the extent of the lower of present value of any economic benefits available in the form of refunds from the plan or reduction in future contribution to the plan).

Past service cost is recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested immediately following the introduction of, or changes to, a defined benefit plan, the past service cost is recognised immediately in the Statement of Profit and Loss. Past service cost may be either positive (where benefits are introduced or improved) or negative (where existing benefits are reduced).

Share-based payment arrangements

The fair value of the amount payable to employees in respect of share appreciation rights ("SAR"), which are settled in cash, is recognized as an employee benefits expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date based on the fair value of the SARs. Any change in the liability are recognized in profit or loss.

(m) Income tax

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other Comprehensive Income.

- Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation. It establishes provisions or make reversals of

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

provisions made in earlier years, where appropriate, on the basis of amounts expected to be paid to / received from the tax authorities.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

- Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets, recognized or unrecognized, are reviewed at each reporting date and recognized / reduced to the extent that it has become probable / no longer probable respectively that future taxable profits will be available against which they can be used.

Section 115 BAA of the Income Tax Act 1961, introduced by Taxation Laws (Amendment) Ordinance, 2019 gives a one-time irreversible option to Domestic Companies for payment of corporate tax at reduced rates. The Holding Company has opted for this benefit in earlier years.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the current tax liabilities and assets, and they relate to income taxes levied by the same tax authorities.

(n) Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may,

but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent asset is not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

(o) Commitments

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting date.

(p) Operating segment

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Group's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

(q) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash in hand, demand deposits held with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(r) Foreign currency transactions

The consolidated financial statements are presented in Indian Rupees (Rs.), which is also the Holding Company's functional and presentation currency.

Rounding of amount: All amounts disclosed in the financial statements and notes have been rounded-off to the nearest Rs. Lakh as per the requirement of Schedule III,

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

unless otherwise stated. Amount less than Rs. 50,000 is presented Rs. 0.00 lakh wherever considered necessary.

Initial recognition

Transactions in foreign currencies are translated into the functional currency of the Group at the exchange rates at the dates of the transactions.

Measurement at the reporting date

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Exchange differences on restatement/settlement of all monetary items are recognised in profit or loss. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income ("OCI") or profit or loss are also recognised in OCI or profit or loss, respectively).

(s) Borrowing costs

Borrowing costs are interest and other costs (including exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred by the Group in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as a part of cost of the asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

(t) Share Capital

Incremental costs directly attributable to the issue of equity shares are recognized as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with Ind AS 12.

(u) Earnings per share

Basic earnings/ (loss) per share are calculated by dividing the net profit/ (loss) for the year attributable to equity shareholders by the weighted average number of equity

shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(v) Exceptional Items

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Group is treated as an exceptional item and the same is disclosed in consolidated statement of profit and loss and in the notes forming part of the consolidated financial statements.

(w) Recent accounting pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 13 August 2025, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, applicable from 1 April 2026, as below:

Ind AS 1 - Presentation of Financial Statements - If a covenant breach occurs on or before the reporting date and the liability becomes payable on demand, it must be classified as current, even if the lender subsequently agrees not to demand repayment. It is classified as current because, at the reporting date, the entity does not have the right to defer settlement for at least 12 months. However, if the lender has already provided—by the reporting date—a grace period extending at least 12 months beyond that date, during which the breach can be rectified and repayment cannot be demanded, the liability is classified as non-current. The Company has evaluated the amendment and does not expect this amendment to have any significant impact in its financial statements.

This amendment is to be applied retrospectively for annual reporting periods beginning on or after 1 April 2026, in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 3: Property, plant and equipment and capital work-in-progress

	Freehold Land	Building	Plant and equipment	Electrical installations	Vehicles	Furniture and fixtures	Computers	Total
Gross carrying amount								
Balance as at 1 April 2024	5,395	4,140	19,807	407	1,600	165	286	31,800
Additions	-	219	2,102	432	150	60	29	2,992
Disposals /other adjustments (refer note below) #	-	9	152	-	81	-	1	243
Balance as at 31 March 2025	5,395	4,350	21,757	839	1,669	225	314	34,549
Balance as at 1 April 2025	5,395	4,350	21,757	839	1,669	225	314	34,549
Additions	-	847	2,958	13	159	55	35	4,067
Disposals /other adjustments (refer note below) #	-	151	206	-	134	10	-	501
Balance as at 31 March 2026	5,395	5,046	24,509	852	1,694	270	349	38,115
Accumulated depreciation								
Balance as at 1 April 2024	-	952	6,690	208	677	44	203	8,774
Depreciation for the year	-	173	1,625	43	176	36	32	2,085
Disposals /other adjustments (refer note below) #	-	11	59	-	30	0	1	101
Balance as at 31 March 2025	-	1,114	8,256	251	823	80	234	10,758
Depreciation for the year	-	178	1,764	58	177	43	24	2,244
Disposals /other adjustments (refer note below)	-	140	173	-	116	9	-	438
Balance as at 31 March 2026	-	1,152	9,847	309	884	114	258	12,564
Carrying amounts (net)								
As at 31 March 2025	5,395	3,236	13,501	588	846	145	80	23,791
As at 31 March 2026	5,395	3,894	14,662	543	810	156	91	25,551

#Plant and equipments includes other adjustment amounting Nil (previous year Rs. 93) in relation to reimbursement to capex incurred under a customer arrangement.

Notes:

- Plant and equipment includes Gross carrying amount Rs. 44 (previous year: Rs. 44) worth of equipment acquired under United Nations Industrial Development Organisation grant scheme.
- Refer note 19 (C) for information on property, plant and equipment pledged as security by the Company during the year.
- Refer note 42 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- The Company has capitalized the following expenses to the cost of property, plant and equipment / capital work-in-progress (CWIP). Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the Company. The capitalisation rate used for interest capitalisation is 8.80%.

	Year ended 31 March 2026	Year ended 31 March 2025
Salaries, wages and bonus	208	203
Power and fuel	51	69
Finance costs	89	77
Research and development	-	49
	348	398

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

e. Capital work in progress

	Building	Plant and equipment *	Total
Balance as at 1 April 2024	224	930	1,154
Additions	74	2,456	2,530
Capitalisations	74	2,308	2,382
Balance as at 31 March 2025	224	1,078	1,302
Additions	569	3,363	3,932
Capitalisations	761	2,728	3,489
Balance as at 31 March 2026	32	1,713	1,745

*This also includes electrical installations

Capital-work- in progress ageing schedule as at 31 March 2026

CWIP	Amount in CWIP for a period of				
	< 1 Years	1-2 Years	2-3 Years	> 3 years	Total
Projects in progress#	1,600	145	-	-	1,745
Total	1,600	145	-	-	1,745

Capital-work- in progress ageing schedule as at 31 March 2025

CWIP	Amount in CWIP for a period of				
	< 1 Years	1-2 Years	2-3 Years	> 3 years	Total
Projects in progress#	1,135	167	-	-	1,302
Total	1,135	167	-	-	1,302

#There are no projects whose completion is overdue or has exceeded its cost compared to its original plan.

Note 4: Right of use asset

	Leasehold Land	Building	Plant & Machinery	Furniture and fixtures	Total
Balance as at 1 April 2024	3	97	99	15	214
Additions	-	1,164	-	-	1,164
Depreciation for the year	-	211	79	1	291
Balance as at 31 March 2025	3	1,050	20	14	1,087
Balance as at 1 April 2025	3	1,050	20	14	1,087
Additions	-	971	-	-	971
Depreciation for the year	-	450	20	-	470
Balance as at 31 March 2026	3	1,571	0	14	1,588

Notes:

- The Group has also taken on leases certain office premises with contract terms of one year. These leases were short-term in nature and the Group had elected not to recognise right-of-use assets and lease liabilities for those leases. The Group incurred Rs. 215 (previous year Rs. 44) towards expenses relating to short-term and low value leases for which the recognition exemption has been applied.
- The total cash outflow for leases, including cash outflow for short term and low value leases is Rs. 1,138 (previous year Rs. 397).
- During the current year, the Company entered into a five-year lease agreement with Hindustan Antibiotics Limited for an industrial building located at H.A. Limited Compound Pimpri, Pune, Maharashtra. Further, the Company has recognized the lease in accordance with applicable accounting standards and recorded a right-of-use asset for the aforesaid lease arrangement.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 5: Intangible assets and intangible assets under development

	Computer Software	Product registrations	Technical know how	Total
Gross carrying amount				
Balance as at 1 April 2024	473	784	320	1,577
Additions - acquired	-	213	-	213
Balance as at 31 March 2025	473	997	320	1,790
Balance as at 1 April 2025	473	997	320	1,790
Additions - acquired	15	-	-	15
Foreign exchange adjustment	-	39	-	39
Balance as at 31 March 2026	488	1,036	320	1,844
Accumulated amortisation				
Balance as at 1 April 2024	211	680	316	1,207
Amortisation for the year	90	39	-	129
Balance as at 31 March 2025	301	719	316	1,336
Balance as at 1 April 2025	301	719	316	1,336
Amortisation for the year	88	65	1	154
Foreign exchange adjustment	-	4	-	4
Balance as at 31 March 2026	389	788	317	1,494
Carrying amounts (net)				
As at 31 March 2025	172	278	4	454
As at 31 March 2026	99	248	3	350

Note:

a. The estimated remaining amortization period for intangible assets are as follows:

	As at 31 March 2026	As at 31 March 2025
Computer Software	0 to 3 years	0 to 3 years
Product registrations	0 to 8 years	0.05 to 8 years
Technical know how	0 to 1 years	0 to 1 years

b. Intangible assets under development

	Computer Software	Product registrations	Technical know how	Total
Balance as at 1 April 2024	-	60	-	60
Additions	7	37	-	44
Capitalisations	-	-	-	-
Balance as at 31 March 2025	7	97	-	104
Additions	-	30	3	33
Capitalisations	7	-	-	7
Balance as at 31 March 2026	-	127	3	130

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for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

c. Intangible assets under development ageing schedule as on 31 March 2026:

Intangible assets under development#	Amount in Intangible assets under development for a period of					Remarks
	< 1 Years	1-2 Years	2-3 Years	> 3 years	Total	
Computer Software	-	-	-	-	-	
Product registration projects	30	37	15	45	127	Refer note (a) below
Technical know how	3	-	-	-	3	Refer note (b) below
Total	33	37	15	45	130	

Intangible assets under development ageing schedule as on 31 March 2025:

Intangible assets under development#	Amount in Intangible assets under development for a period of					Remarks
	< 1 Years	1-2 Years	2-3 Years	> 3 years	Total	
Computer Software	7	-	-	-	7	
Product registration projects	37	15	-	45	97	Refer note (a) below
Technical know how	-	-	-	-	-	
Total	44	15	-	45	104	

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan.

Note:

- (a) These projects relate to certain product registration submission to regulatory authority for which the necessary approvals are currently awaited. These approval are expected to be received in the near term basis which these will be capitalised as product registration.
- (b) These projects are under implementation and expected to be completed in the near term basis which these will be capitalised as technical know how.

Note 6: Investments

A. Non- current investments

	As at 31 March 2026	As at 31 March 2025
Investments in equity shares		
Quoted equity shares		
Equity shares (at fair value through other comprehensive income)		
- Bank of Baroda 187 (31 March 2025: 187) equity shares of Rs. 10 each fully paid-up ^	0	0
- Canara Bank 315 (31 March 2025: 63) equity shares of Rs. 10 each fully paid-up ^	0	0
	1	1
Unquoted equity shares		
Other Companies (fair value through other comprehensive income)		
- Nimbua Green Field (Punjab) Limited 84,375 (31 March 2025: 84,375) equity shares of Rs. 10 each fully paid-up	166	148
- Mohali Green Environment Private Limited 70,000 (31 March 2025: 70,000) equity shares of Rs. 10 each fully paid-up	8	8
- SVC Cooperative Bank Limited 100 equity shares (31 March 2025: 100) equity shares of Rs. 25 each fully paid-up^	0	0
Total non-current investments	175	157
Aggregate book value of quoted investments	1	1
Aggregate market value of quoted investments	1	1
Aggregate value of unquoted investments	175	157

^ Wherever an amount is represented as Rs. "0" (zero) it construes a value less than rupees fifty thousand.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 6: Investments (Contd..)

B. Current investments

	As at 31 March 2026	As at 31 March 2025
Quoted		
Investments in mutual funds measured at fair value through statement of profit and loss		
Nil (31 March 2025: 5569.34) units of Rs. Nil (previous year: Rs. 3971.41) in Nippon India Mutual Fund.	-	222
Nil (31 March 2025: 29,723.54) units of Rs. Nil (pervious year: Rs. 14.94) in Bandhan Mutual Fund.	-	4
Total current investments	-	226
Aggregate book value of quoted investments	-	226
Aggregate market value of quoted investments	-	226

Note 7: Other financial assets

(Unsecured, considered good unless otherwise stated)

	As at 31 March 2026		As at 31 March 2025	
	Non-current	Current	Non-current	Current
Security deposits	471	-	414	923
Deposits with remaining maturity of less than 12 months ^	-	95	-	67
Deposits with original maturity of more than 12 months ^	36	-	68	-
Interest receivable	-	22	-	16
Export incentive recoverable	-	275	-	154
Due from customer (refer note 50)	-	590	-	530
Recoverable from government authorities (Refund)	-	84	-	265
Other receivable (includes claim recoverable etc.)	-	177	-	153
Total	507	1,243	482	2,108

Refer note 39(b) for information about credit risk and market risk of other financial assets.

^ These deposits include restricted bank deposits Rs. 130 (31 March 2025: 130) pledged as margin money.

Note 8: Other tax assets (net)

	As at 31 March 2026	As at 31 March 2025
Advance income-tax and tax deducted at source (net of provision Rs. 4,624 (31 March 2025: Rs. 1,988))	1,324	442
Total	1,324	442

Note 9: Other non-current assets

(Unsecured, considered good unless otherwise stated)

	As at 31 March 2026	As at 31 March 2025
Capital advances	14	88
Total	14	88

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 10: Inventories

(At lower of cost and net realizable value)

	Note	As at 31 March 2026	As at 31 March 2025
Raw materials	(a), (b)	11,216	9,838
Work-in-progress	(b)	8,360	4,064
Finished goods	(a), (b)	3,443	6,937
Stores and spares	(b)	1,335	1,114
Packing material	(b)	223	284
Total		24,577	22,237

Notes:

(a) Includes goods-in-transit:

	As at 31 March 2026	As at 31 March 2025
- raw materials	2,854	1,843
- finished goods	733	2,477

(b) Refer note 19(C) for hypothecation of current assets against term loan and working capital loan.

(c) The inventory written down amounted to Rs. 200 (previous year Rs. 31)

Note 11: Trade receivables

(Unsecured, considered good unless otherwise stated)

	As at 31 March 2026	As at 31 March 2025
Trade receivables	20,354	23,603
Trade receivables from related party (refer note 43)	48	-
Less: expected credit loss allowance	(52)	(66)
Total	20,350	23,537
Break-up of trade receivables:		
Trade receivable considered good -unsecured	20,371	23,572
Trade receivable which have significant increase in credit risk	8	8
Trade receivable- credit impaired	23	23
Total	20,402	23,603
Less: expected credit loss allowance		
- Trade receivables considered good - unsecured	(21)	(35)
- Trade receivables which have significant increase in credit risk	(8)	(8)
- Trade Receivables – credit impaired	(23)	(23)
Total trade receivables	20,350	23,537

Note 11: Trade receivables (Contd..)

Trade receivables ageing schedule:

As at 31 March 2026	Outstanding for following periods from due date of payment							Total gross receivables	Expected credit loss	Net receivables
	Unbilled	Not due	< 6 months	6 months -1 year	1 year - 2 years	2 year - 3 years	> 3 years			
Undisputed Trade Receivable - considered good	12	15,493	4,016	234	53	437	126	20,371	21	20,350
Undisputed Trade Receivable - credit Impaired	-	-	-	-	-	-	23	23	23	-
Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	8	8	8	-
Total	12	15,493	4,016	234	53	437	157	20,402	52	20,350

Trade receivables ageing schedule:

As at 31 March 2025	Outstanding for following periods from due date of payment							Total gross receivables	Expected credit loss	Net receivables
	Unbilled	Not due	< 6 months	6 months -1 year	1 year - 2 years	2 year - 3 years	> 3 years			
Undisputed Trade Receivable - considered good	5	17,018	5,954	32	437	-	126	23,572	35	23,537
Undisputed Trade Receivable - Credit Impaired	-	-	-	-	-	-	23	23	23	-
Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	8	8	8	-
Total	5	17,018	5,954	32	437	-	157	23,603	66	23,537

Refer note 39(b) for information about credit risk and market risk of trade receivables.

Refer note 19(C) for hypothecation of current assets against term loan.

Note 12: Cash and cash equivalents

	As at 31 March 2026	As at 31 March 2025
Balances with banks		
- Current accounts	866	1,292
Cash on hand	4	6
Total	870	1,298

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 13: Other bank balances

	As at 31 March 2026	As at 31 March 2025
Deposit accounts with original maturity of less than 12 months ^	617	482
Balance in unclaimed dividend accounts*	15	12
Total	632	494

^These deposits include restricted bank deposits Rs. 540 (31 March 2025: Rs. 459) pledged as margin money.

*Unclaimed dividend accounts represents earmarked balances lying with the bank.

Note 14: Loans

(unsecured, considered good unless otherwise stated)

	As at 31 March 2026	As at 31 March 2025
Advances recoverable from others		
- considered doubtful	16	16
Less: expected credit loss allowance	(16)	(16)
Loans to employee	17	11
Total	17	11

Refer note 39(b) for information about credit risk and market risk of loans.

Refer note 19(C) for hypothecation of current assets against term loans and working capital loans.

Note 15: Other current assets

(Unsecured, considered good unless otherwise stated)

	As at 31 March 2026	As at 31 March 2025
Recoverable from/ balances with government authorities		
- considered good	2,013	1,104
Advances for supply of goods and services	353	438
Export benefit receivable on advance license	377	320
Prepaid expenses	444	319
Contract assets	8	30
Others	2	1
Total	3,197	2,212

Note 16: Assets classified as held for sale

	As at 31 March 2026	As at 31 March 2025
Assets held for sale	30	30
Total	30	30

The process of selling the office building at Ahmedabad ("Assets") is still going on. The efforts made so far have not yielded any results, however the management is committed to sell the Asset and expects to complete the sale process during current financial year. There is no impairment loss or cumulative income or expenses included in OCI in relation to the Asset. Accordingly, the Asset has been classified as "Assets classified as held for sale" in accordance with Ind AS 105.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 17: Equity Share capital

(i) Details of share capital

	As at 31 March 2026		As at 31 March 2025	
	Number of shares	Amount	Number of shares	Amount
Authorised Share Capital				
Equity shares of Rs. 10 each	19,800,000	1,980	19,800,000	1,980
9.8% redeemable cumulative preference shares of Rs. 100 each	20,000	20	20,000	20
	19,820,000	2,000	19,820,000	2,000
Issued Share Capital				
Equity shares of Rs. 10 each	12,277,218	1,228	12,277,218	1,228
	12,277,218	1,228	12,277,218	1,228
Subscribed and paid up share capital				
Equity shares of Rs. 10 each fully paid up	12,262,185	1,226	12,262,185	1,226
	12,262,185	1,226	12,262,185	1,226

(ii) Reconciliation of number of shares of Holding Company outstanding at the beginning and end of the reporting year

	As at 31 March 2026		As at 31 March 2025	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning and at the end of the year	12,262,185	1,226	12,262,185	1,226

(iii) Rights, preference and restriction attached to shares

The Holding Company has only one class of equity shares having a par value of Rs. 10 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Group's residual assets on winding up. Each holder of equity shares is entitled to one vote per share. The Holding Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors of the Holding Company is subject to approval of the shareholders (except for interim dividend) in the ensuing Annual General Meeting. In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive the remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iv) Details of shareholders holding more than 5% shares in the Holding Company

Name of shareholder	As at 31 March 2026		As at 31 March 2025	
	Number of shares	% holding	Number of shares	% holding
Equity shares of Rs. 10 each fully paid				
Hem-sil Trading and Manufacturing Private Limited	4,017,318	32.76%	4,017,318	32.76%
Gowal Consulting Services Private Limited	3,000,000	24.47%	3,000,000	24.47%

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 17: Equity Share capital (Contd..)

(v) Details of equity shares held by Promoters and Promoters' Group in the Holding Company

S.no	Shareholders Name	As at 31 March 2026		As at 31 March 2025		% change during the year	% change during the previous year
		No. of shares	% of total shares	No. of shares	% of total shares		
1	Rupam Shalil Shroff	207,293	1.69	207,293	1.69	-	-
2	Shalil Shashikumar Shroff	230,581	1.88	230,581	1.88	-	-
3	Salil Shashikumar Shroff HUF	77,652	0.63	77,652	0.63	-	-
4	Hemal Raju Shete	212,812	1.74	212,812	1.74	-	-
5	Malvika Shraey Gupta	35,340	0.29	35,340	0.29	-	-
6	Ishika Shalil Shroff	30,394	0.25	27,894	0.23	0.02	-
7	Hem-sil Trading and Manufacturing Pvt Ltd.	4,017,318	32.76	4,017,318	32.76	-	-
Total		4,811,390	39.24	4,808,890	39.22	0.02	-

(vi) Bonus shares, shares buyback and issue of shares for consideration other than in cash during five years immediately preceding 31 March 2026

During the five years immediately preceding 31 March 2026, neither any bonus shares have been issued nor any shares have been bought back by the Holding Company. Further, no shares have been issued for consideration other than cash by the Holding Company.

Note 18: Other equity

	As at 31 March 2026	As at 31 March 2025
Capital Reserve	314	314
Capital Redemption Reserve	28	28
Capital reduction reserve	21	21
Securities Premium Account	5,707	5,707
Amalgamation reserve	19	19
Foreign currency translation reserve	(400)	(168)
Retained earnings	35,388	29,293
Equity instruments through Other Comprehensive Income	44	31
Total	41,121	35,245

(i) Capital reserve

Capital reserve represents the forfeited share application money of Rs. 185 received for preferential convertible warrants in 2008-2009 and Rs. 124 received for equity convertible warrant in 2009-2010.

(ii) Securities premium

Securities premium represents the excess consideration received by the Company over the face value of the shares issued to shareholders. This will be utilized in accordance with the applicable provisions of the Companies Act, 2013.

(iii) Capital redemption reserve

Capital redemption reserve is carried forward in the balance sheet of the Company post merger of Parul Chemical Limited into the Company during the year 2010-2011.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 18: Other equity (Contd..)

(iv) Capital reduction reserve

Capital reduction reserve is carried forward in the consolidated balance sheet of the Group post merger of Parul Chemical Limited into the Group during the year 2010-2011.

(v) Amalgamation reserve

Amalgamation reserve is carried forward in the consolidated balance sheet of the Group post merger of Parul Chemical Limited into the Group during the year 2010-2011.

(vi) Retained earnings

Retained earnings represents the profits that the Group has earned till date less any transfer to general reserve, less any dividends, or other distributions paid to shareholders.

(vii) Equity instruments through Other Comprehensive Income

The Group has elected to recognise changes in the fair value of certain investments in equity securities through other comprehensive income. These changes are accumulated within equity through OCI. The Group transfers amounts there from to retained earning when the relevant equity securities are derecognised.

(viii) Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the Group dispose or partially dispose off its interest in a foreign operation through sale, liquidation, repayment of share capital or abandonment of all, or part of, that entity.

Note 19: Borrowings

A. Non-current borrowings

	Note	As at 31 March 2026	As at 31 March 2025
Secured			
From Banks			
Term loan	(a) & (b)	2,007	4,661
Working capital demand loan	(c)	781	1,156
From Others			
Vehicle finance scheme	(d)	447	484
		3,235	6,301
Unsecured			
From Others			
Inter-corporate deposits - from related party (refer note 43)	(e)	1,625	1,625
		1,625	1,625
Total non current borrowings (including current maturities)		4,860	7,926
Less : Current maturities of non-current borrowings (refer note 19B)		1,118	1,828
Total		3,742	6,098

Notes:

- The outstanding term loan of Rs. 2,161 as on 31 March 2025 from SVC Co-operative Bank Limited has been fully repaid during the financial year 2025-2026.
- Term loan from HDFC Bank Ltd. (gross of interest accrued) amounting to Rs. 2,007 (31 March 2025: 2,500) carrying interest rate of 8.75% p.a. (31 March 2025: 8.75% p.a.) is secured by first pari passu charge by way of registered mortgage on factory land and building situated at Derabassi, Punjab and first pari passu charge on moveable fixed assets including plant and machinery

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 19: Borrowings (Contd..)

situated at Derabassi, Punjab with SVC Co-operative Bank Ltd. The outstanding loan is repayable in 48 (31 March 2025: 60) equal monthly installments.

- (c) Working capital term loan (WCTL) under emergency credit line guarantee scheme (ECLGS scheme) from SVC Co-operative Bank Ltd. amounting to Rs. 781 (31 March 2025: Rs. 1,156) carrying interest rate of 9.25% p.a. (31 March 2025: 9.25% p.a.) is secured by 100% guarantee coverage from National Credit Guarantee Trustee Company Limited (NCGTC) and 2nd charge on existing prime & collateral securities of the Company. The loan had a moratorium of 2 years from the date of first disbursement. The outstanding loan is repayable in 25 (31 March 2025: 37) equal monthly installments.
- (d) Loans from SVC Co-operative Bank Limited under vehicle finance scheme amounting to Rs. 447 (31 March 2025: 484) carrying interest rate of 8.75% to 10.90% (31 March 2025: 8.90% to 10.90%) is secured by exclusive charge by way of hypothecation of vehicles purchased under said scheme. The loan is repayable in 12 to 60 (31 March 2025: 24 to 54) equal monthly installments on case to case basis.
- (e) Inter-corporate deposits from Hemsil Trading & Manufacturing Private Limited (gross of interest accrued) amounting to Rs. 1,625 (31 March 2025: Rs. 1,625) is carrying interest rate of 11.50% p.a (31 March 2025: 11.50% p.a).The outstanding loan is repayable on demand post 30 September 2027.

B. Current borrowings

	Note	As at 31 March 2026	As at 31 March 2025
Loans repayable on demand			
- Cash credit and working capital demand loan accounts from banks (secured)	(a), (b), (c)	9,377	7,767
Current maturities of non-current borrowings (refer note 19A)		1,118	1,828
Total		10,495	9,595
Total non-current and current borrowings		14,237	15,693

Notes:

- (a) Cash credit amounting to Rs. 3,640 (31 March 2025: 4,745) from SVC Co-operative bank Limited. carrying interest rate of 9.15% p.a. (31 March 2025: 9.35% p.a) is secured by first pari passu charge by way of hypothecation on all current assets of the Company, both present and future. It is further secured by first pari passu charge by way of registered mortgage on factory land and building situated at Derabassi, Punjab and by way of hypothecation on all movable property, including plant and machinery, situated at Derabassi, Punjab with HDFC Bank Limited.
- (b) Working capital demand loan/ Cash credit (gross of interest accrued) amounting to Rs. 4,280 (31 March 2025: 3,022) from Yes Bank Limited. carrying interest rate of 8.50% - 9.03% p.a. (31 March 2025: 8.75% -8.90% p.a) is secured by first pari passu charge by way of hypothecation on all current assets of the Company, both present and future. It is further secured by first pari passu charge by way of registered mortgage on factory land and building situated at Lalru, Punjab and first pari passu charge by way of hypothecation on all movable property of the Company situated at Lalru, Punjab with HDFC Bank Limited.
- (c) Cash credit (gross of interest accrued) amounting to Rs. 1,457 (31 March 2025: Nil) from HDFC bank Limited. carrying interest rate of 8.30% p.a. (31 March 2025: 9.00% p.a) is secured by first pari passu charge by way of hypothecation on all current assets of the Company, both present and future. It is further secured by first pari passu by way of hypothecation on all movable fixed assets including plant and machinery situated at industrial plot/property situated at Lalru, Punjab and first pari passu charge by way of EM/registered mortgage on land and building situated at Lalru, Punjab with Yes Bank Limited.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 19: Borrowings (Contd..)

C. Assets pledged as security

Assets with following carrying amounts are pledged as collateral/security against loans and borrowings at year end:

	As at 31 March 2026	As at 31 March 2025
Property, plant and equipment	27,127	22,720
Inventory	24,577	22,237
Other current assets (including financial assets)	26,309	29,887
Total	78,013	74,844

Note 20: Lease liabilities

	As at 31 March 2026	As at 31 March 2025
Non-current		
Total non current lease liability (including current maturities)	1,185	1,096
Less : Current maturities of non-current lease liabilities*	353	217
Total non current lease liability	832	879
Current		
Current maturities of non-current lease liabilities	353	217
Total current lease liability	353	217

Note: Current and non-current classification of lease liabilities is based on contractual maturities.

- The Company has entered into agreements for leasing office/factory premises on lease and license basis. The leases typically run for a period of 3 to 5 years with no restriction placed upon the Company for entering into said lease.
- Lease from Siemens Financial Services Private Limited under lease financing scheme amounting to Nil (31 March 2025 : Rs. 15) carrying interest rate of Nil (31 March 2025: 7.09% p.a) for purchase of machineries. The lease liabilities is repayable in Nil (31 March 2025 : 3) equal monthly instalments.

Information about leases for which the Company is a lessee is presented below:

- The following are the amounts recognised in statement of profit and loss:

	As at 31 March 2026	As at 31 March 2025
Interest on lease liabilities	154	60
Expenses relating to short-term leases	215	146
Total	369	206

- The following is the break-up of current and non-current lease liabilities

	As at 31 March 2026	As at 31 March 2025
Non-current lease liabilities	832	879
Current maturities of lease liabilities	353	217
Total	1,185	1,096

- The weighted average incremental borrowing rate applied to lease liabilities is 9.50% p.a (previous year 9.75% p.a)
- As at 31 March 2026, the Company has a lease liability balance of Rs. 1,185 (previous year Rs. 1,096).

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 20: Lease liabilities (Contd..)

- (v) The following is the information regarding the contractual maturities of lease liabilities on an undiscounted basis:

	As at 31 March 2026	As at 31 March 2025
Less than one year	449	314
One to five years	951	1,048
Total	1,400	1,362

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

- (vi) There are no leases not yet commenced to which the Company is committed.
- (vii) Refer cash flow statement for reconciliation of movements of lease liabilities to cash flows arising from financing activities during the period.

Note 21: Other financial liabilities

	As at 31 March 2026		As at 31 March 2025	
	Non Current	Current	Non Current	Current
Unpaid dividend #	-	15	-	13
Interest bearing security deposits from customers	-	62	-	62
Security deposit from employees	-	59	-	42
Due to customer (refer note 50)	-	1,232	-	1,107
Employee related liabilities	-	1,628	-	1,053
Capital creditors of micro enterprise and small enterprises	-	171	-	248
Capital creditors other than micro enterprise and small enterprises	-	4	-	28
Provisions for loss on derivatives contracts	227	76	-	-
Others (includes interest provision for MSME vendor etc.)	-	324	-	288
Total	227	3,571	-	2,841

#not due for deposit to investor education and protection fund

Refer note 39(b) for information about liquidity risk and market risk of other financial liabilities.

Note 22: Provisions

	As at 31 March 2026		As at 31 March 2025	
	Non Current	Current	Non Current	Current
Provision for employee benefits (refer note 41)	-	-	-	-
Liability for Gratuity	202	366	854	283
Liability for compensated absences	244	177	426	219
Total	446	543	1,280	502

Note 23: Deferred tax liabilities (net)

	As at 31 March 2026	As at 31 March 2025
Deferred tax assets on account of:		
- Expenses allowable on payment basis	232	413
- Expected credit loss allowance	42	45
- Expenses allowed on deferred basis under income tax	6	6
- Lease liabilities	337	57

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 23: Deferred tax liabilities (net) (Contd..)

	As at 31 March 2026	As at 31 March 2025
- Others	10	10
Deferred tax asset (A)	627	531
Deferred tax liabilities on account of:		
- Excess depreciation as per Income tax Act, 1961 over depreciation as per books	1,372	1,283
- Right of use assets	454	54
Deferred tax liability (B)	1,826	1,337
Deferred tax liabilities (net) (A - B)	(1,199)	(806)

Movement in temporary differences:

FY 2024-2025	As at 1 April 2024	Recognised in Statement of profit or loss	Recognised in other comprehensive income	As at 31 March 2025
Deferred tax assets:				
- Expenses allowable on payment basis	292	112	9	413
- Expected credit loss allowance	50	(5)	-	45
- Expenses allowed on deferred basis under income tax	6	-	-	6
- Lease liabilities	57	(0)	-	57
- Others	10	-	-	10
Deferred tax liabilities:				
- Excess depreciation as per Income tax Act, 1961 over depreciation as per books	(1,152)	(131)	-	(1,283)
- Right of use assets	(54)	-	-	(54)
Total deferred tax liabilities (net)	(791)	(24)	9	(806)

FY 2025-2026	As at 1 April 2025	Recognised in Statement of profit or loss	Recognised in other comprehensive income	As at 31 March 2026
Deferred tax assets:				
- Expenses allowable on payment basis	413	(154)	(27)	232
- Expected credit loss allowance	45	(3)	-	42
- Expenses allowed on deferred basis under income tax	6	-	-	6
- Lease liabilities	57	280	-	337
- Others	10	-	-	10
Deferred tax liabilities:				
- Excess depreciation as per Income tax Act, 1961 over depreciation as per books	(1,283)	(89)	-	(1,372)
- Right of use assets	(54)	(400)	-	(454)
Total deferred tax liabilities (net)	(806)	(366)	(27)	(1,199)

Note 24: Trade payables

	As at 31 March 2026	As at 31 March 2025
(a) Total outstanding dues of micro enterprise and small enterprises (refer note 49)	2,070	1,078
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	15,225	19,030
Total	17,295	20,108

Note: Refer note 39(b) for information about liquidity risk and market risk of trade payables.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 24: Trade payables (Contd..)

Trade payables ageing schedule as at 31 March 2026:

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	< 1 years	1 year to 2 years	2 year to 3 years	> 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	1,616	454	-	-	-	2,070
Total outstanding dues of creditors other than micro enterprises and small enterprises	312	11,753	2,983	41	5	131	15,225
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	312	13,369	3,437	41	5	131	17,295

Trade payables ageing schedule as at 31 March 2025:

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	< 1 years	1 year to 2 years	2 year to 3 years	> 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	475	595	7	1	-	1,078
Total outstanding dues of creditors other than micro enterprises and small enterprises	233	12,619	6,030	17	3	128	19,030
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	233	13,094	6,625	24	4	128	20,108

Also refer to note-49

Note 25: Other current liabilities

	As at 31 March 2026	As at 31 March 2025
Advance from customers	76	39
Deferred interest income	1	-
Deferred government grant	2	2
Statutory dues	369	368
Total	448	409

Note 26: Current tax liabilities (net)

	As at 31 March 2026	As at 31 March 2025
Provision for income tax (net of advance tax of Rs. 7,413 (31 March 2025: Rs. 7,019))	802	854
Total	802	854

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 27: Revenue from operations

	Year ended 31 March 2026	Year ended 31 March 2025
Sale of products:		
Finished goods	92,255	83,816
Traded goods	7,958	2,749
Sale of services:		
Job work charges	479	1,734
Product development charges	190	-
Other operating revenues:		
Scrap sales	723	610
Export incentive	1,375	1,143
Total	102,980	90,052

Revenue (excluding other operating revenue) disaggregation by geography (location of destination of shipment) is as follows:

	Year ended 31 March 2026	Year ended 31 March 2025
Geography:		
India	56,070	53,502
Outside India:		
Europe (including united kingdom)	33,365	23,915
Japan	3,261	3,081
Israel	883	1,647
USA	2,313	1,336
Latin America	1,000	1,481
Others	3,990	3,337
Total	100,882	88,299

Information about major customers:

Revenue from 1 customer of the Company amounting to Rs. 49,699 (previous year: Rs. 42,549), constitute more than 10% of the total revenue of Company.

Changes in unbilled revenue are as follows:

	Year ended 31 March 2026	Year ended 31 March 2025
Balance at the beginning of the year	5	1,341
Invoices raised during the year	(5)	(1,341)
Revenue recognised during the year (yet to be invoiced)	12	5
Balance at the end of the year	12	5

Reconciliation of revenue recognised with the contracted price is as follows:

	Year ended 31 March 2026	Year ended 31 March 2025
Contracted price	100,918	88,359
Reductions towards variable consideration components*	(36)	(60)
Revenue recognised	100,882	88,299

*The reduction towards variable consideration comprises of trade discount.

Notes to the Consolidated Financial Statements

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(All amounts in Indian Rupees Lakh except for share data)

Note 27: Revenue from operations (Contd..)

Contract balances

	As at 31 March 2026	As at 31 March 2025
Trade receivables	20,337	23,532
Trade receivables-Unbilled	12	5
Contract Liabilities- Current#	76	39

Contract liabilities primarily relate to advance consideration received from customers against supply of goods for which revenue is recognised at a point in time. During the year, the Company recognised revenue of Rs. 39 (previous year Rs. 93), relating to advance from customers at the beginning of the year. The closing balance of contract liabilities as at the year end, comprising advances from customers, will be recognised as revenue in next year.

Trade receivables are net of expected credit loss and loss allowance on credit impaired assets.

Timing of revenue recognition:

	Year ended 31 March 2026	Year ended 31 March 2025
Product transferred at a point in time	100,882	88,299
Revenue from contracts with customers	100,882	88,299

Note 28: Other income

	Year ended 31 March 2026	Year ended 31 March 2025
(i) Interest income on financial assets measured at amortised cost:		
- on fixed deposits	54	37
- others	485	18
(ii) Income from investment:		
- Gain on sale / fair valuation of investments	35	31
(iii) Others:		
- Expected credit loss on trade receivables written back	14	19
- Liability no longer required written back	25	10
- Rental income	4	4
- Exchange gain on foreign exchange fluctuation (net)	751	-
- Others	-	24
Total	1,368	143

Note 29: Cost of materials consumed

	Year ended 31 March 2026	Year ended 31 March 2025
Raw Materials:		
Inventory at the beginning of the year	9,838	6,353
Add: Purchases during the year	63,599	62,222
Less: Inventory at the end of the year	(11,216)	(9,838)
Total	62,221	58,737

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(All amounts in Indian Rupees Lakh except for share data)

Note 30: Purchases of stock-in-trade

	Year ended 31 March 2026	Year ended 31 March 2025
Stock-in-trade	283	307
Total	283	307

Note 31: Changes in inventories of finished goods, work-in-progress and stock-in-trade

	Year ended 31 March 2026	Year ended 31 March 2025
Opening stock:		
Work-in-progress	4,064	3,230
Finished goods	6,937	2,500
	11,001	5,730
Less: Closing Stock:		
Work-in-progress	8,360	4,064
Finished goods	3,443	6,937
	11,803	11,001
Total	(802)	(5,271)

Note 32: Employee benefits expense

	Year ended 31 March 2026	Year ended 31 March 2025
Salaries, wages and bonus	8,724	8,030
Contribution to provident and other funds	1,035	899
Staff welfare expenses	653	580
Total	10,412	9,509

Note: Refer note 43 for related party transaction

Note 33: Finance costs

	Year ended 31 March 2026	Year ended 31 March 2025
Interest expense on financial liabilities measured at amortised cost	1,408	1,643
Interest expenses on lease liabilities	154	60
Other borrowing cost	120	80
Total	1,682	1,783

Note: Refer note 43 for related party transaction

Note 34: Depreciation and amortization expense

	Note	Year ended 31 March 2026	Year ended 31 March 2025
Depreciation of property, plant and equipment	3	2,244	2,084
Depreciation of right of use assets	4	470	291
Amortization of intangible assets	5	150	129
Total		2,864	2,504

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for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 35: Other expense

	Year ended 31 March 2026	Year ended 31 March 2025
Stores and spares consumed	392	397
Power and fuel	7,574	6,403
Repairs and maintenance	2,227	2,064
Sub-contracting charges	1,555	1,197
Rent	215	146
Rates and taxes	56	77
Insurance charges	301	247
Traveling and conveyance	967	799
Commission on sales	60	44
Packing expenses	839	645
Freight and handling expenses	1,171	1,335
Job work expenses	62	228
Legal and professional fees (refer note (a & b) below)	625	570
Charity and donations (other than political parties)	5	10
Corporate Social Responsibility expenditure (refer note 46)	141	182
Advances written off	50	24
Property, plant and equipment written off	-	16
Loss on sale of plant, property and equipment (net)	14	2
Marketing and promotional expenses	203	232
Exchange loss on foreign exchange fluctuations	-	82
Pollution control expenses	596	718
Factory Maintenance and housing charges	349	315
Quality control expenses	183	171
IT and communication expenses	123	144
Unrealised loss on derivatives contracts	303	-
Miscellaneous expenses	1,042	803
Total	19,053	16,851

Notes:

- (a) Refer note 43 for related party transaction
- (b) Payments to the statutory auditor (excluding taxes as applicable):

	Year ended 31 March 2026	Year ended 31 March 2025
As auditor		
Statutory audit	33	29
Limited review of quarterly results	16	16
Others	1	9
Reimbursement of expenses	1	2
Total	51	56

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(All amounts in Indian Rupees Lakh except for share data)

Note 36: Exceptional item

	Note	Year ended 31 March 2026	Year ended 31 March 2025
Litigation settlements	(a)	-	418
Impact of new Labour Codes	(b)	208	-
Total		208	418

- (a) During the previous year, the Company had received demand order from Department of Goods and Services tax (Government of Maharashtra) office of the Dy. commissioner of state tax relating to FY 2019-20 of Rs. 769 lakhs including interest and penalty on account of non-payment of Goods and Service Tax on transfer of leasehold right by the Company in that year. The Company, after taking view of their legal counsel had decided to avail benefit of Amnesty Scheme u/s 128A of CGST Act, 2017 and paid Rs. 418 lakh towards full and final settlement of the above demand order in the previous year. Considering the amount being material, the same has been shown as exceptional item in the statement of profit and loss for the previous year.
- (b) On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (hereinafter referred to as the "New Labour Codes") - consolidating 29 existing labour laws. The ICAI has published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations.

In accordance with the New Labour Codes, the Company has assessed and disclosed the incremental impact of these changes on the basis of best information available, which has resulted in increase in provision for employee benefits by Rs. 208 lakh during financial year 2025-2026. Considering the impact arising out of an enactment of the new legislation is an event of non-recurring nature, the Company has presented such incremental impact as "Impact of New Labour Codes" under "Exceptional Items" in the consolidated financial statement for the year ended March 31, 2026.

The Company continues to monitor the finalisation of Central/ State Rules and clarifications from the Government on other aspects of the New Labour Codes and will continue to assess the accounting implications, basis such developments/ guidance.

Note 37: Tax expense

a) Income tax recognised in statement of profit and loss

	Year ended 31 March 2026	Year ended 31 March 2025
Current tax		
- Current year	1,898	1,439
- Adjustments in respect of earlier years	(232)	-
	1,666	1,439
Deferred tax:		
Attributable to:		
Origination and reversal of temporary differences	365	25
	365	25
Total tax expense recognised	2,031	1,464

b) Reconciliation of effective tax rate

	Year ended 31 March 2026	Year ended 31 March 2025
Accounting profit before income tax	8,427	5,357
Tax at Company's statutory tax rate of 25.168% (31 March 2025: 25.168%)	1,417	1,417
Effect of expense that are non-deductible expenses in determining taxable profits	21	21
Effect of change with respect to earlier years	(232)	-
Others	825	26
Income tax expense recognised in the statement of profit and loss	2,031	1,464

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 37: Tax expense (Contd..)

c) Income tax expense recognized in other comprehensive income

	Year ended 31 March 2026	Year ended 31 March 2025
Arising on income and expenses recognized in other comprehensive income		
Remeasurement of defined benefit obligation	(22)	12
Equity investments through other comprehensive income- net change in fair value	(5)	(3)
Total income tax recognized in other comprehensive income	(27)	9
Bifurcation of the income tax recognized in other comprehensive income into:-		
Items that will not be reclassified to profit or loss	(27)	9
	(27)	9

Note 38: Earnings per share

	Year ended 31 March 2026	Year ended 31 March 2025
Profit after tax for basic and diluted earnings per share	6,396	3,893
Weighted average number of equity shares for basic and diluted earnings per share	12,262,185	12,262,185
Basic and diluted earnings per share (face value of Rs. 10 each)	52.17	31.75

Note 39(a): Fair values

Financial instruments by category and fair values	Note	Level of hierarchy	As at 31 March 2026			As at 31 March 2025		
			FVTPL	Amortised cost	FVOCI	FVTPL	Amortised cost	FVOCI
Financial assets (non-derivative)								
Non current								
Investment in quoted equity shares	(a)	1	-	-	1	-	-	1
Investment in unquoted equity shares - Others	(a)	3	-	-	174	-	-	157
Other financial assets	(b)		-	507	-	-	482	-
Current								
Investments	(a)	1	-	-	-	226	-	-
Trade receivables	(c)		-	20,350	-	-	23,537	-
Cash and cash equivalents	(c)		-	870	-	-	1,298	-
Other bank balances	(c)		-	632	-	-	494	-
Loans	(c)		-	17	-	-	11	-
Other financial assets	(c)		-	1,243	-	-	2,108	-
Total financial assets			-	23,619	175	226	27,930	158
Financial liabilities (non-derivative)								
Non-current								
Borrowings	(d)		-	3,742	-	-	6,098	-
Lease liability	(d)		-	832	-	-	879	-
Other financial liabilities (derivative contracts)	(c) (e)	2	227	-	-	-	-	-
Current								
Borrowings	(c)		-	10,495	-	-	9,595	-
Lease liability	(c)		-	353	-	-	217	-
Trade payables	(c)		-	17,295	-	-	20,108	-
Other financial liabilities	(c) (e)		76	3,495	-	-	2,841	-
Total financial liabilities			303	36,213	-	-	39,738	-

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Note 39(a): Fair values (Contd..)

- For quoted investments, market value is taken as fair value. The fair value in respect of the unquoted equity investments has currently measured at net book value as per the latest audited financial statements available.
- Fair value of non-current financial assets and financial liabilities has not been disclosed as there is no significant differences between carrying value and fair value.
- Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.
- The Company's non-current borrowings have been contracted at market rates of interest. Accordingly, the carrying value of such non-current borrowings approximates fair value. Further, fair value measurement of lease liabilities is not required to be disclosed.
- The Company enters into derivative financial instruments (cross currency interest rate swap) with HDFC Bank Limited. The valuation of derivatives recorded in the books of accounts is basis the Mark-to-Market (MTM) valuation provided by the HDFC Bank Limited.

There are no transfers between level 1, level 2 and level 3 during the current year and previous year

Reconciliation of fair value measurement of unquoted equity shares classified as FVOCI

	Year ended 31 March 2026	Year ended 31 March 2025
Balance at the beginning of the year	156	143
Re-measurement recognized in OCI	18	13
Balance at the end of the year	174	156

Note 39(b): Financial risk management

Risk management framework

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 risk 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 regularly to effect changes in market conditions and Group's activities. The Company, through its training and management standards and procedures, aims to maintain discipline and constructive control environment in which all employees understand their roles and obligations.

The Company's audit committee oversees how management monitors compliance with Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risk faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the result of which are reported to audit committee.

The Group has exposure to the following risks arising from financial instruments:

- Credit risk (see (i));
- Liquidity risk (see (ii));and
- Market risk (see (iii))

(i) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The carrying amount of financial assets represents the maximum credit risk exposure and arises

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 39(b): Financial risk management (Contd..)

principally from the Group's receivable from customers and loans. The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the Balance Sheet:

Particulars	As at 31 March 2026	As at 31 March 2025
- Investments	175	383
- Trade receivables	20,350	23,537
- Cash and cash equivalents	870	1,298
- Other bank balances	632	494
- Loans	17	11
- Other financial assets	1,243	2,108

Trade receivables

The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Group and existence of previous financial difficulties.

The Group's exposure to credit risk for trade receivables by geographic region is as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Within India	12,432	17,219
Outside India	7,918	6,318

The carrying amount of the Group most significant customer is Rs. 5,605 (31 March 2025: Rs. 8,998).

The Group based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Group estimates its allowance for trade receivable using lifetime expected credit loss. Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables.

Particulars	Gross Carrying amount	Expected credit loss allowance	Carrying amount
31 March 2026			
Less than 6 Months	19,521	-	19,521
More than 6 Months	881	52	829
	20,402	52	20,350
31 March 2025			
Less than 6 Months	22,466	-	22,466
More than 6 Months	1,137	66	1,071
	23,603	66	23,537

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 39(b): Financial risk management (Contd..)

The movement in the allowance for impairment in respect of trade receivables is as follows

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Balance as at the beginning of the year	66	85
Amounts written back	(14)	(19)
Balance as at the end of the year	52	66

The loans primarily represents security deposits and advances recoverable. The management believes these to be high quality assets with negligible credit risk. The management believes the parties to which these deposits and loans have been given have strong capacity to meet the obligations and where the risk of default is negligible or nil and accordingly no provision for excepted credit loss has been provided on these financial assets. Credit risk on cash and cash equivalents and bank deposits is limited as the Group generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies.

Cash and cash equivalents

The Group holds cash and cash equivalents of Rs. 870 at 31 March 2026 (31 March 2025: Rs. 1,298). The cash and cash equivalents (other than cash on hand) are held with scheduled banks.

(ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Group's approach to manage liquidity is to have sufficient liquidity to meet it's liabilities when they are due, under both normal and stressed circumstances, without incurring unacceptable losses or risking damage to the Group's reputation.

Management manages the liquidity risk by monitoring cash flow forecasts on a periodic basis and maturity profiles of financial assets and liabilities. This monitoring takes into account the accessibility of cash and cash equivalents and additional undrawn financing facilities. The Group will continue to consider various borrowings or leasing options to maximize liquidity and supplement cash requirements as necessary.

Exposure to liquidity risk

The following are the remaining undiscounted contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

		Contractual Cash Flows			
	Carrying Amount	Total	Less than 1 year	1 to 5 years	> 5 years
As at 31 March 2026					
Borrowings (including current maturities)	14,237	14,237	10,495	3,742	-
Lease liabilities	1,185	1,401	449	951	-
Trade and other payables	17,295	17,295	17,118	177	-
Other financial liabilities (including derivative liability)	3,798	3,844	3,571	273	-
Total	36,515	36,777	31,634	5,143	-
As at 31 March 2025					
Borrowings (including current maturities)	15,693	15,707	9,600	6,107	-
Lease liabilities	1,096	1,362	314	1,048	-
Trade and other payables	20,108	20,108	19,952	156	-
Other financial liabilities (including derivative liability)	2,841	2,841	2,841	-	-
Total	39,738	40,018	32,707	7,311	-

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 39(b): Financial risk management (Contd..)

(iii) Market risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(a) Commodity price risk

The Company is exposed to the movement in price of key raw materials in domestic and international markets. The Group has in place policies to manage exposure to fluctuations in the prices of the key raw materials used in operations. The Group manages fluctuations in raw material price through hedging in the form of advance procurement when the prices are perceived to be low and also enters into advance buying contracts as strategic sourcing initiative in order to keep raw material prices under check to the extent possible.

A reasonably possible change of 0.50 % in raw material prices during the year would have affected the profit or loss by the amounts shown below.

Particulars	Profit or Loss		Equity, net of tax	
	Increased	Decreased	Increased	Decreased
Year ended 31 March 2026				
Raw material price (0.50% movement)	313	(313)	232	(232)
Year ended 31 March 2025				
Raw material price (0.50% movement)	295	(295)	220	(220)

(b) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings with floating interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees with a mix of fixed and floating rates of interest. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings and using interest rate swaps as hedges of the variability in cash flows attributable to movements in interest rates. The exposure of the Company's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:

The exposure of the Company's borrowing to fixed interest rate as reported at the end of the reporting period are as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Fixed rate borrowings	4,860	7,926
Floating rate borrowings	9,377	7,767
Total borrowings (gross of transaction cost)	14,237	15,693

Interest rate sensitivity analysis

A reasonably possible change of 0.50 % in interest rates at the reporting date would have affected the profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Profit or Loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
Year ended 31 March 2026				
Interest rate (0.5% movement)	47	(47)	12	(12)
Year ended 31 March 2025				
Interest rate (0.5% movement)	39	(39)	10	(10)

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 39(b): Financial risk management (Contd..)

(c) Foreign currency risk

Foreign currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Company's operating, investing and financing activities.

Unhedged foreign currency exposure

The following table provides details of the Group's exposure to currency risk:

Foreign Exchange Exposures outstanding at the year end	Currency	As at 31 March 2026		As at 31 March 2025	
		Amount in Indian currency	Amount in foreign currency*	Amount in Indian currency	Amount in foreign currency*
Trade receivable	EUR	1,511	14	447	5
	USD	6,505	68	5,864	69
Trade payable	EUR	134	1	113	1
	USD	3,452	36	3,579	42
EEFC Account	EUR	10	0	-	-
	USD	8	0	-	-

*Amount in foreign currency is in lakh

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against below currencies at 31 March 2026 and 31 March 2025 would have affected the measurement of financial instruments denominated in foreign currency and affected Statement of Profit and Loss by the amounts shown below. This analysis is performed on foreign currency denominated monetary financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Profit or Loss (Rs. in lakh)		Equity, net of tax (Rs. in lakh)	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2026				
USD (2% movement)	(61)	61	(46)	46
EURO (2% movement)	(28)	28	(21)	21
31 March 2025				
USD (2% movement)	(46)	46	(34)	34
EURO (2% movement)	(7)	7	(5)	5

Note 40: Capital management

(i) Risk management

The Group policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The management monitors the return on capital, as well as the level of dividends to equity shareholders.

The Group monitors capital using a ratio of 'total debt' to 'total equity'. For this purpose, total debt is defined as total borrowings. Equity comprises all components of equity (as shown in the Balance Sheet).

The Group debt to equity ratio was as follows.

Particulars	As at 31 March 2026	As at 31 March 2025
Total debt	14,237	15,693
Total equity	42,347	36,471
Debt to equity ratio	0.34	0.43

Notes to the Consolidated Financial Statements

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(All amounts in Indian Rupees Lakh except for share data)

Note 40: Capital management (Contd..)

(ii) Dividends

	As at 31 March 2026	As at 31 March 2025
Final dividend paid for the year ended 31 March 2025 of Rs. 3.00 (31 March 2024: Rs. 3.00) per fully paid equity share *	368	368
Dividend not recognised at the end of the year		
In addition to the above dividend, since year end the Board of Directors have recommended payment of final dividend of Rs. 3.00 (31 March 2025: Rs. 3.00) per fully paid equity share. The proposed dividend is subject to the approval of the shareholders in the ensuing annual general meeting. The dividend declaration is in accordance with section 123 of the companies Act, 2013 to the extent its applies to declaration of dividend	368	368

*Final dividend has been paid on the number of shares issued by the Holding Company till the date of annual general meeting after approval of shareholders and is in accordance with section 123 of Companies Act, 2013.

Note 41: Employee benefits

A. Assets and liabilities relating to employee benefits

	As at 31 March 2026	As at 31 March 2025
Non-current		
Liability for gratuity	202	854
Liability for compensated absences	244	426
Total	446	1,280
Current		
Liability for gratuity	366	283
Liability for compensated absences	177	219
Total	543	502
Grand Total	989	1,782

For details about the related employee benefit expenses, refer to note no. 32.

B. Defined contribution plan

a. Provident Fund and employee's state insurance

The Company's provident fund scheme and employee's state insurance (ESI) fund scheme are defined contribution plans. Under the schemes, the Company is required to contribute a specified percentage of payroll cost, as specified in the rules of the scheme, to these defined contribution schemes. The contributions to the scheme are charged to the statement of profit and loss in the period when the contributions are due.

b. Superannuation Fund

Superannuation Fund is a defined contribution scheme and contributions to the scheme are charged to the statement of profit and loss in the period when the contributions are due. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The Company has recognised following amounts as expense in the Statement of Profit and Loss :

	Year ended 31 March 2026	Year ended 31 March 2025
Included in Contribution to Provident and Other Funds (Refer Note 33)		
Provident Fund	547	505
Superannuation Fund	214	223
ESI contribution	29	29

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Note 41: Employee benefits (Contd..)

	Year ended 31 March 2026	Year ended 31 March 2025
Gratuity Fund (Contribution to LIC)	243	142
Labour Welfare Fund	2	-
Total	1,035	899

C. Defined benefit plan - Gratuity

The employees' gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The Company made annual contributions to the LIC of India of an amount advised by the LIC.

The above defined benefit plan exposes the Group to following risks:

Interest rate risk:

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk:

Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Company has not changed the processes used to manage its risks from previous periods. The funds are managed by specialised team of Life Insurance Corporation of India.

a) Funding

Gratuity is a funded benefit plan for qualifying employees. 100% of the plan assets are managed by LIC. The assets managed are highly liquid in nature and the Company does not expect any significant liquidity risks.

b) Reconciliation of present value of defined benefit obligation and fair value of plan assets

The following table sets out the status of the defined benefit plan as required under Ind AS 19- Employee Benefits:

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	2,302	2,285
Interest cost	161	165
Current service cost	148	140
Past service cost	147	-
Benefits paid	(189)	(330)
Actuarial loss recognised in other comprehensive income		
- from changes in financial assumptions	(76)	36
- from experience adjustments	-	6
Balance at the end of the year	2,493	2,302

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Note 41: Employee benefits (Contd..)

c) Reconciliation of the present value of plan assets

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	1,165	1,115
Expected Interest Income	115	77
Contributions paid by the employer	797	223
Benefits paid	(116)	(250)
Balance at the end of the year	1,961	1,165

d) Amount recognized in statement of profit and loss

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Total service cost	295	140
Interest cost on benefit obligation	59	85
Amount recognized in statement of profit and loss	354	225

e) Remeasurements recognised in other comprehensive income

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Actuarial loss for the year on defined benefit obligation	(76)	42
Loss on plan assets (excluding interest income)	(13)	4
Total Actuarial loss for the year	(89)	46

f) Plan assets

100% of the plan assets are managed by LIC

g) Actuarial assumptions

- (i) **Economic assumptions:** The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yield available on the Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

Particulars	As at 31 March 2026	As at 31 March 2025
Discount rate (per annum)	7.70%	6.98%
Future salary growth rate (per annum)	5.75%	5.75%
Expected rate of return on plan assets (per annum)	7.60%	7.05%
Expected average remaining working lives (years)	17.96	18.04

(ii) Demographic assumptions:

Particulars	As at 31 March 2026	As at 31 March 2025
Retirement Age	58	58
Mortality rate	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
Attrition rate		
Upto 30 years	3%	3%

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Note 41: Employee benefits (Contd..)

Particulars	As at 31 March 2026	As at 31 March 2025
31 to 44 years	2%	2%
44 years and above	1%	1%

h) Sensitivity analysis on defined benefit obligation on account of change in significant assumption:

	As at 31 March 2026		As at 31 March 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(73)	77	(71)	75
Future salary growth rate (0.5% movement)	75	(72)	73	(70)
Attrition rate	6	(6)	6	(6)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same methods (present value of defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

i) Expected future benefit payments

Undiscounted amount of expected benefit payments for next 10 years are as follows:	As at 31 March 2026	As at 31 March 2025
Within 1 year	389	283
1-2 year	274	243
2-3 year	287	233
3-4 year	220	245
4-5 year	189	189
5-10 years	1,134	1,111

j) Weighted average duration and the expected employers contribution for next year of the defined benefit plan:

	As at 31 March 2026	As at 31 March 2025
Weighted average duration of the defined benefit plan (in years)	14.42	14.50
Expected employers contribution for next year	217	242

Note 42: Contingent liabilities and commitments (to the extent not provided for)

a) Claims against the company not acknowledged as debts

	As at 31 March 2026	As at 31 March 2025
Income Tax matters	114	1,265
Sales tax matters	11	11
Service Tax matters	1	1
GST matter	710	598
	836	1,875

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Note 42: Contingent liabilities and commitments (to the extent not provided for) (Contd..)

Notes: (i)

Assessment Year	Remarks	As at 31 March 2026	As at 31 March 2025
2008-09	Case closed by ITAT	-	18
2009-10	Case closed by ITAT	-	298
2013-14	Case is pending with ITAT against partial favourable CIT(A) orders	-	21
2014-15	The case is pending with CIT(A)	62	62
2015-16	Case is pending with ITAT against partial favourable CIT(A) orders	-	113
2016-17	Case is pending with ITAT against partial favourable CIT(A) orders	-	4
2017-18	Case closed by ITAT	-	684
2018-19	The case is pending with CIT(A)	52	65
		114	1,265

During the year, the Company received final orders from the Income Tax Appellate Tribunal (ITAT), Chandigarh for Assessment Years (AY) 2008–09, 2009–10, 2017–18 (ITAT) with partial relief. Further, for AY 2013–14, 2015–16, and 2016–17 the company received partial relief from Commissioner of Income Tax (Appeals) during the current year. Subsequently, the Company received appeal effect orders from the jurisdictional Assessing Officer. Considering these orders, the Company has recognized interest income on income tax refunds amounting to Rs. 468 lakh and has written back income tax provisions aggregating to Rs. 101 lakh (net of necessary provision retained in respect of for partial disallowances, which if sustained shall result in reduction in utilized brought forward losses and hence consequential demand in subsequent years) during the year ended 31 March 2026. Accordingly, the contingent liability is no longer required in respect of such matters.

The Company is in appeal with respect to the partial disallowances provided in orders passed by CIT(A) before the ITAT Chandigarh, in respect of AY 2013–14, 2015–16, and 2016–17. The next hearing for all these years is scheduled on 08 July 2026. In addition for ITAT orders, in respect of disallowances penalty has been levied which is in dispute with CIT(A) for AY 2008-09 and 2009-10.

- (ii) In earlier years, the Directorate of Revenue Intelligence – Kolkata had initiated an inquiry in relation to the manner in which the Company was claiming refund of IGST on input material at the time of export. The matter was referred to Commissioner Ludhiana and the Company received summons from the office of Central goods and Service tax commissioner, Ludhiana seeking further documents in relation to the above.

Further, on 1 May 2023, the Company received a show cause notice dated 24 April 2023 from the office of the Principal Commissioner, Central GST Commissionerate, Ludhiana in relation to refund of Rs. 4,496 of IGST wrongly claimed in contravention of Rule 96(10) along with related interest and penalties as applicable. The Company filed a writ petition and obtained a stay from high court for further action by office of central goods and service tax commissioner. The next hearing in the high court is scheduled on 13 May 2026.

The Company believes that basis legal advice relying on Kerala High Court Judgement, it has not caused any loss to the exchequer and it was entitled to claim refund in accordance with the laws as applicable and that it has reasonable legal grounds to defend its position.

Additionally, central government had issued a circular in the year 2024 in which it was clarified that Exporters who have taken the refund in contravention of rule 96(10) of CGST rules can now pay the IGST amount on concerned imports along with interest with retrospective effect, and in that case the refund already taken under rule 96(10) will not be considered as non-compliance of GST rules. Considering the above circular, the Company based on its best estimate computed the interest liability of Rs. 710 (previous year Rs. 598) for late payment of IGST under the said 2024 circular. The management believes that they will be entitled to Input tax credit on such IGST paid under the 2024 circular and hence have recorded contingent liability limited to interest in possible eventuality of an adverse high court ruling in respect of the contravention of Rule 96(10) matter.

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Note 42: Contingent liabilities and commitments (to the extent not provided for) (Contd..)

- (iii) During the earlier years, the Company had received a notice of eviction in relation to the Pune facility which was under a lease arrangement. We have filed an appeal in the Court of district judge Pune in relation to the aforesaid and have received a stay order in relation to the above.

During the year, the company has entered into the final agreement with lessor for a period of 5 year effective from 01st april 2025. For the past litigation pending in the Pune district court, both the parties have agreed to withdraw the litigation from the court. Next hearing is expected to be on 07 May 2026.

(b) Other Commitments

	As at 31 March 2026	As at 31 March 2025
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	116	265

Note 43: Related party disclosures

- I. List of related parties and nature of related party relationship, where control exists: Nil
- II. List of related parties and nature of relationship with whom transactions have taken place during the current / previous year

Description of Relationship	Name of the Party
Entities in which KMP's are interested	Hemsil Trading & Manufacturing Private Limited
	Shroff Family Master Trust
	Salil ShashiKumar Shroff HUF
	Akola Chemicals (India) Private Limited
Key managerial personnel	Mr. Mukesh Dahyabhai Patel (Chairman) (Non Executive Non-Independent Director)
	Mr. Shalil Shashikumar Shroff (Managing Director)
	Mr. Vijay Dilbagh Rai (Non Executive Non-Independent Director)
	Capt. Surjit Singh Chopra (Retd.) (Non Executive Non-Independent Director)
	Mr. Shivshankar Shripal Tiwari (Non Executive Non-Independent Director)
	Mr. Avtar Singh (Non Executive Non-Independent Director)
	Mrs. Aruna Rajendra Bhinge (Non Executive Independent Director)
	Mrs. Tara Subramaniam (Non Executive Independent Director)
	Mr. Sheo Prasad Singh (Non Executive Independent Director) (upto 30th April, 2025)
	Mr. Kapil Kumar Mehan (Non Executive Independent Director) (w.e.f 30th, April, 2025)
	Mr. Suresh Arora (Non Executive Independent Director) (w.e.f. 30th April, 2025)
	Mr. Vinod Kumar Gupta (Chief Executive Officer)
	Mr. Devender Gupta (Chief Financial Officer) (w.e.f 16th December, 2025)
	Mr. Vikash Khanna (Chief Financial Officer) (upto 15th September, 2025)
	Mr. Ashish Ramdas Nayak (Chief Financial Officer) (upto 31 January, 2025)
Relatives of key managerial personnel	Mrs. Rishu Chatley (Company Secretary & Compliance Officer)
	Ms. Malvika Shraey Gupta (daughter of Mr. Shalil Shashikumar Shroff)
	Mr. Jaskaran Singh (son of Mr. Avtar Singh)
	Ms. Sonal Tiwari (daughter of Mr. Shivshankar Shripal Tiwari)

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 43: Related party disclosures (Contd..)

III. Transactions with related parties during the current / previous year

Nature of transactions	Year ended 31 March 2026	Year ended 31 March 2025
a. Sale of goods		
Akola Chemicals (India) Private Limited	205	118
b. Payment of lease rent		
Shroff Family Master Trust	232	225
Salil Shashikumar Shroff HUF	20	18
Ms. Malvika Shraey Gupta	66	61
c. Interest expense		
Hemsil Trading and Manufacturing Private Limited	182	182
d. Employee benefits		
Short term employee benefits		
Mr. Shalil Shashikumar Shroff	339	301
Mr. Vinod Kumar Gupta	412	447
Mr. Devender Gupta	31	-
Mr. Ashish Ramdas Nayak	-	82
Mr. Vikash Khanna	53	2
Mrs. Rishu Chatley	30	27
Mr. Jaskaran Singh	25	23
e. Commission		
Executive Directors	500	85
Non Executive Directors	74	42
f. Sitting Fees		
Non Executive Directors	14	15
g. Legal & Professional		
Mr. Shivshankar Shripal Tiwari	65	16
Ms. Sonal Tiwari	42	42

Break-up of compensation of key managerial personnel of the Company	Year ended 31 March 2026	Year ended 31 March 2025
Short-term employee benefits	1,439	985
Post-employment benefits	34	32
Total	1,473	1,017

IV. Outstanding balances as at year end

Particulars	As at 31 March 2026	As at 31 March 2025
Trade receivables:		
Akola Chemical (India) Private Limited	48	-
Borrowings (including accrued interest):		
Hemsil Trading and Manufacturing Private Limited	1,625	1,625
Security deposit from employees:		
Mr. Shalil Shashikumar Shroff	-	2
Commission payable:		
Executive Directors	500	85
Non Executive Directors	74	42
Employee related liabilities:		
Executive directors	24	19
Key managerial personnel	25	30

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 43: Related party disclosures (Contd..)

Particulars	As at 31 March 2026	As at 31 March 2025
Relatives of key managerial personnel	1	1
Legal and professional fees payable:		
Mr. Shivshankar Shripal Tiwari	-	15
Ms. Sonal Tiwari	4	4

V. Terms and conditions of transactions with related parties

The transaction with related parties are made on terms equivalent to those that prevail in arm's length transactions and within ordinary course of business.

Note 44: Segment Information

The Executive Management Committee (Board of Directors and key managerial personnel) monitors the operating results of the segment 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. For management purpose, the Group has identified "Performance Chemicals" as single operating segment.

A) Information about geographical areas

Year ended 31 March 2026

	Sale of goods *	Rendering of services *	Non current assets #
India	55,401	669	30,651
Outside India		-	-
Europe (including united kingdom)	33,365	-	-
Japan	3,261	-	-
Israel	883	-	-
USA	2,313	-	-
Latin America	1,000	-	-
Others	3,990	-	51
Total	100,213	669	30,702

Year ended 31 March 2025

	Sale of goods *	Rendering of services *	Non current assets #
India	51,768	1,734	27,164
Outside India		-	-
Europe (including united kingdom)	23,915	-	-
Japan	3,081	-	-
Israel	1,647	-	-
USA	1,336	-	-
Latin America	1,481	-	-
Others	3,337	-	105
Total	86,565	1,734	27,269

*Sale of goods and sale of services has been presented based on the geographical location of the customers.

#Non-current assets are excluding financial instruments and deferred tax assets and have been presented based on the geographical location of assets.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 44: Segment Information (Contd..)

B) Information about major customers

Revenue from 1 customer of the Company amounting to Rs. 49,699 (previous year: Rs. 42,549), constitute more than 10% of the total revenue of Company.

Note 45: Ratio Analysis

a) Current ratio = Current assets divided by current liabilities

Particulars	31 March 2026	31 March 2025
Current assets*	50,916	52,153
Current liabilities	33,507	34,526
Ratio	1.52	1.51
% Change from previous year	0.60%	

* Including assets classified as held for sale.

Reason for change more than 25%:NA

b) Debt equity ratio = Debt divided by total shareholder's equity

Particulars	31 March 2026	31 March 2025
Debt	14,237	15,693
Total equity (excluding Non-controlling interests)	42,347	36,471
Ratio	0.34	0.43
% Change from previous year	-21.87%	

Reason for change more than 25%: NA

c) Debt service coverage ratio = Earnings available for debt services divided by debt services

Particulars	31 March 2026	31 March 2025
Profit after tax	6,396	3,893
Add: Non cash operating expenses and finance cost		
- Depreciation and amortization expense	2,864	2,504
- Finance costs	1,682	1,783
- PPE written off	-	16
- Loss on sale of PPE	14	2
- Advance written off	50	24
- Expected credit loss	-	-
Earnings available for debt services	11,005	8,222
Debt Services		
Interest and lease payments	568	363
Principal repayments	1,118	1,828
Interest on Borrowings	1,562	1,703
Total Debt Services	3,248	3,894
Ratio	3.39	2.11
% Change from previous year	60.48%	

Reason for change more than 25%:

The ratio has increased from 2.11 in March 2025 to 3.39 in March 2026 mainly due to increase in profit.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 45: Ratio Analysis (Contd..)

d) Return on equity ratio / return on investment ratio = Net profit after tax divided by average shareholder's equity

Particulars	31 March 2026	31 March 2025
Net profit/ (loss) after tax	6,396	3,893
Average shareholder's equity	39,409	34,743
Ratio	16.23%	11.21%
% Change from previous year	44.82%	

Reason for change more than 25%:

The ratio has increased from 11.21% to 16.23% in March 2026 mainly due to increase in profit

e) Inventory turnover ratio = Net Sales divided by average inventory

Particulars	31 March 2026	31 March 2025
Net Revenue	102,980	90,052
Average inventory	23,407	17,751
Ratio	4.40	5.07
% Change from previous year	-13.28%	

Reason for change more than 25%: NA

f) Trade receivables turnover ratio = Net sales divided by average trade receivables

Particulars	31 March 2026	31 March 2025
Net revenue	102,980	90,052
Average trade receivables	21,944	21,640
Ratio	4.69	4.16
% Change from previous year	12.77%	

Reason for change more than 25%: NA

g) Trade payables turnover ratio = Credit purchases divided by average trade payables

Particulars	31 March 2026	31 March 2025
Net purchases	63,882	62,529
Other expenses*	18,787	16,458
Total	82,669	78,987
Average trade payables	18,702	15,961
Ratio	4.42	4.95
% Change from previous year	-10.67%	

Reason for change more than 25%: NA

* Refer Note 35 for Other expenses, below other expenses have not been considered for above ratio calculation:

Corporate Social Responsibility expenditure	141	182
Property, plant and equipment written off	0	16
Rates and taxes	56	77
Charity and donations (other than political parties)	5	10
Loss on sale of plant, property and equipment (net)	14	2
Exchange loss on foreign exchange fluctuations	0	82
Advances written off	50	24
Total	266	393

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 45: Ratio Analysis (Contd..)

h) Net capital turnover ratio = Net sales divided by capital

Particulars	31 March 2026	31 March 2025
Net Revenue	102,980	90,052
working Capital (Total current assets minus total current liabilities)	17,409	17,627
Ratio	5.92	5.11
% Change from previous year	15.79%	

Reason for change more than 25%: NA

i) Net profit ratio = Net profit after tax divided by Net sales

Particulars	31 March 2026	31 March 2025
Net profit after tax	6,396	3,893
Net Revenue	102,980	90,052
Ratio	6.21%	4.32%
% Change from previous year	43.65%	

Reason for change more than 25%:

The ratio has increased from 4.32% in March 2025 to 6.21% in March 2026 mainly due to increase in profit.

j) Return on capital employed = Earnings before interest and taxes (EBIT) divided by capital employed

Particulars	31 March 2026	31 March 2025
Profit before tax	8,635	5,775
Add: Finance costs	1,682	1,783
EBIT	10,317	7,558
Total assets	82,300	80,060
Less : Total liabilities	(39,953)	(43,589)
Other intangible assets	(350)	(454)
Tangible net worth	41,998	36,017
Total Debt	14,237	15,693
Deferred tax liability	1,199	806
Capital employed	57,433	52,516
Ratio	17.96%	14.39%
% Change from previous year	24.83%	

Reason for change more than 25%: NA

Note 46: Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate social responsibility (CSR) activities. A CSR Committee has been formed by the company as per the Act. The CSR Committee and Board had approved the projects with specific outlay on the activities as specified in Schedule VII of the act, in pursuant of the CSR policy:

	Year ended 31 March 2026	Year ended 31 March 2025
a) Gross amount required to be spent by the Group during the year	141	181
b) Amount approved by the Board to be spent during the year	141	181
c) Amount spent during the year on (in cash):		
(i) Construction / Acquisition of any asset	-	-
(ii) On purpose other than (i) above	141	182

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 46: Corporate Social Responsibility (Contd..)

	Year ended 31 March 2026	Year ended 31 March 2025
d) Excess/ (Shortfall) at the end of the year	-	1
e) Total of previous years shortfall	-	-
f) Details of related party transactions	-	-
g) 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 should be shown separately	-	-
h) Reason for shortfall:		
i) Nature of CSR Activities:		
i) Eradicating poverty including health care facilities	23	43
ii) Promoting education	85	116
iii) Rural development projects	28	23
iv) Promotion and development of traditional art and handicrafts	5	-

Note 47: Disclosures pursuant to Section 186 of the Companies Act, 2013:

	As at 31 March 2026	As at 31 March 2025
Investment		
i. Investment in equity shares: Dena Bank Limited merged with Bank of Baroda		
Balance as at the year end ^	0	0
Maximum amount outstanding at any time during the year ^	0	0
ii. Investment in equity shares: Syndicate Bank Limited merged with Canara bank		
Balance as at the year end ^	0	0
Maximum amount outstanding at any time during the year ^	0	0
iii. Investment in equity shares: Nimbua Green Field (Punjab) Limited		
Balance as at the year end	166	148
Maximum amount outstanding at any time during the year	166	148
iv. Investment in equity shares: Mohali Green Environment Private Limited		
Balance as at the year end	8	8
Maximum amount outstanding at any time during the year	8	8

^Wherever an amount is represented as Rs. "0" (zero) it construes a value less than rupees fifty thousand.

Note 48: Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013- 'General instructions for the preparation of consolidated financial statements' of Division II of Schedule III:

Name of the entity in the Group	Net Assets (Total assets -Total liabilities)		Share in profit/ (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated profit/ (loss)	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated other comprehensive income	Amount
31 March 2026								
Parent								
Punjab Chemicals and Crop Protection Limited	105%	44,289	96%	6,143	-53%	80	100%	6,223
Subsidiary - Outside India								
S D Agchem (Europe) N.V	-1%	(269)	5%	293	153%	(232)	1%	61
Elimination	-4%	(1,673)	-1%	(39)	0%	-	-1%	(39)
Total	100%	42,347	100%	6,396	100%	(152)	100%	6,245

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 48: (Contd..)

Name of the entity in the Group	Net Assets (Total assets - Total liabilities)		Share in profit/ (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated profit/ (loss)	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated other comprehensive income	Amount
31 March 2025								
Parent								
Punjab Chemicals and Crop Protection Limited	105%	38,435	102%	3,973	34%	(24)	103%	3,949
Subsidiary - Outside India								
S D Agchem (Europe) N.V	-5%	(1,974)	-2%	(90)	66%	(46)	-3%	(136)
Elimination	0%	11	0%	10	0%	-	0%	10
Total	100%	36,472	100%	3,893	100%	(70)	100%	3,823

Note 49: Disclosures of Micro and Small Enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondences with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of amounts payable to such enterprises as at the year end has been made in the financial statements based on information available with the Group as under :

Particulars	As at 31 March 2026	As at 31 March 2025
(a) The amounts remaining unpaid to micro, small and medium enterprises as at the end of the year		
- Principal	2,242	1,326
- Interest	0	10
(b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of payment made to the supplier beyond the appointed day during each accounting year	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during each accounting year) but without adding the interest specified under the MSMED act 2006.	57	80
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year	310	254
(e) The amount of further interest due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	310	254

Note 50:

The Company had certain unsettled "advance from customer", "trade payable" and "trade receivables" from an overseas customer which have been outstanding since earlier years. During the earlier year, as a result of product registration regulatory issues faced by the customer, the Company and the customer had preferred to enter into a settlement arrangement pursuant to which the original contract for supply of goods stands terminated. As a result of this termination of contract of supply of goods, the advance received from customer aggregating to Rs. 1,232 (restated in current year) (previous year: Rs. 1,107), was classified as "other financial liabilities". Consequentially, during the earlier year, the Company had also recognised Rs. 284 as settlement income (net of certain expenses aggregating to Rs. 225 already incurred pursuant to the original contract of supply) within other operating income and had set up a recoverable of Rs. 590 (restated in current year) (previous year: Rs. 530) as "other financial assets". Further in earlier years the company had supplied goods and against which trade receivables of Rs. 466 (restated in the current year) (previous year Rs. 420) is outstanding as at the year end.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 50: (Contd)

In view of the settlement agreement made during the earlier year, the Company had filed applications with the Reserve Bank of India through its Authorised dealer Bank of Baroda, Mumbai Branch under the relevant provisions of FEMA seeking to rectify the online records on EDPMS/ ICEGATE portal and condone the unintended delay caused in settling the account due to circumstances beyond the control as well as to seek approval from RBI to set off the related assets and liabilities as shown separately in the financial statement pursuant to the terms of the settlement arrangement.

Further during the current year, the company has obtained legal opinion on exposure of interest and penalty as per FEMA regulation. As per opinion, the possibility of imposition of penalty and interest is remote.

Particulars	31-Mar-26	31-Mar-25
Other financial liabilities	1,232	1,107
Other financial assets	590	530
Trade receivables	466	420
Net Payable	176	157

Note 51: Additional regulatory information required by Schedule III of the Companies Act 2013:

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Group does not have any transactions with companies struck off.
- (iii) The group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- (iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Group has not advanced or loaned or 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) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Group has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- (vii) None of the entities in the group have been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (viii) The group has complied with the number of layers prescribed under the Companies Act, 2013.
- (ix) The group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year
- (x) The Group including the "Companies in the Group" (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) do not have any Core Investment Company ("CIC")
- (xi) 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2026

(All amounts in Indian Rupees Lakh except for share data)

Note 52: The Holding Company has filed applicable quarterly statement of current assets with banks and these are in agreement with books of account for all three quarters in the current year and all four quarters of previous year. The statements of fourth quarter in current financial year was not yet due.

Note 53: The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulation under sections 92-92F of the Income-Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documentation for the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by the due date as required under law. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of income tax expense and that of provision for taxation.

Note 54: There are no subsequent events occurred after the reporting date, other than those disclosed that require adjustments to the assumptions and disclosures in the consolidated financial statements.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W-100022

Anurag Maheshwary
Partner
Membership No: 506533

Place: Gurugram
Date: 2 May 2026

For and on behalf of the Board of Directors of
Punjab Chemicals and Crop Protection Limited

Mukesh Dahyabhai Patel
Chairman
DIN.: 00009605
Place: Vadodara

Vinod Kumar Gupta
Chief Executive Officer

Place: Derabassi
Date: 2 May 2026

Shalil Shashikumar Shroff
Managing Director
DIN: 00015621
Place: Mumbai

Rishu Chatley
Company Secretary
& Compliance officer
Membership No.: 19932
Place: Derabassi

Devender Gupta
Chief Financial Officer

Place: Derabassi

Notes

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Corporate Office

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