

# CHEMFAB ALKALIS LIMITED

REF: CHEMFAB/SEC/2026-2027

17<sup>th</sup> August 2026

**BSE Limited**

Corporate Relationship Department  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400 001.

**BSE – Scrip Code: 541269**

**National Stock Exchange of India Limited**

The Manager, Listing Department  
“Exchange Plaza”  
Bandra - Kurla Complex, Bandra (E)  
Mumbai - 400 051

**NSE Symbol: CHEMFAB**

**Sub: Regulation 34 of SEBI (LODR) Regulations, 2015, as amended - Submission of Annual Report of the Company for Financial Year 2025-26**

We wish to inform you that the 17th Annual General Meeting (“AGM”) of the Company is scheduled to be held on Wednesday, 09th September 2026 at 10:00 AM (IST) through Video Conferencing (“VC”)/Other Audio-Visual Means (“OAVM”).

In accordance with Regulation 34 and other applicable regulations of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, we are submitting herewith Annual Report of the Company for the Financial Year 2025-2026. The Annual Report has been uploaded on the website and it is available at <https://chemfabalkalis.com/investors/>.

Thanking You,  
Yours Faithfully,

**For CHEMFAB ALKALIS LIMITED**

**Bharatraj Panchal**  
**Company Secretary**  
**F9828**



CIN No.: L24290TN2009PLC071563  
**Member - Dr. Rao's Group of Companies**  
Regd. Off: 'TEAM House', GST Road, Vandalur, Chennai - 600 048, India.  
Plant : "Gnanananda Place", Kalapet, Puducherry - 605 014, India Ph : +91 413 2655111,  
E-mail: chemfabalkalis@draoholdings.com, [www.chemfabalkalis.com](http://www.chemfabalkalis.com)





Annual Report  
**2025-26**

# ▶▶▶ Essential to Industry Essential to Life

Some products rarely draw attention,  
yet very little moves without them.  
At Chemfab Alkalies we make two of  
them. Our chemicals keep industry  
running and our pipes carry water  
across the networks that supply  
cities, communities and farms.  
Both are foundational to a growing  
economy, and both are essential.

For four decades our chlor alkali business has supplied caustic soda, chlorine and allied products to aluminium, textiles, paper, pharmaceuticals and water treatment, the industries on which a growing economy depends. Built on captive salt, integrated operations and a long record of India-first and world-first innovation, it remains a benchmark for efficiency and environmental care.

Our OPVC pipes business carries the same purpose into water infrastructure. As the country builds out its water supply and distribution networks, our pipes bring the strength, durability and reliability that these systems require, placing us at the centre of one of India's most important public priorities.

Essential to industry and essential to life, these two businesses define who we are and the value we create for the country we serve.



## Forward-looking statements

This document includes forward-looking statements pertaining to anticipated future events and the financial and operational outcomes of Chemfab Alkalies Limited ('Chemfab' or 'Company'). Given their nature, these forward-looking statements necessitate our Company to make assumptions and are inherently susceptible to risks and uncertainties. There exists a prominent risk that the assumptions, predictions, and other forward-looking statements may not prove to be precise. Readers are advised against placing undue reliance on these forward looking statements, as various factors could lead to disparities between assumptions and actual future results and events. Consequently, this document is subject to a disclaimer and is qualified in entirety by the assumptions, qualifications, and risk factors outlined in our company's Annual Report.



To view our report  
online, please visit:

<https://chemfabalkalis.com>



Scan QR code to see this  
Annual Report online

## Inside the Report

### Introducing Chemfab Alkalies Limited

|                                   |    |
|-----------------------------------|----|
| About the Company                 | 04 |
| Our Journey                       | 06 |
| Business Segment 1 - Chlor Alkali | 08 |
| Business Segment 2 - OPVC Pipes   | 12 |

### Growth Drivers

|                          |    |
|--------------------------|----|
| Demand Drivers           | 16 |
| Capacity Expansion Plans | 18 |

### Performance in Review

|                            |    |
|----------------------------|----|
| Key Performance Indicators | 20 |
| Management Perspective     | 22 |
| Strategic Focus Areas      | 24 |

### Commitment to Responsibility

|                                           |    |
|-------------------------------------------|----|
| Corporate Social Responsibility           | 26 |
| Environmental Initiatives                 | 28 |
| People Initiatives                        | 30 |
| Management Discussion and Analysis Report | 32 |

### Statutory Reports

|                                    |    |
|------------------------------------|----|
| Notice of the 17 <sup>th</sup> AGM | 38 |
| Board of Directors' Report         | 50 |
| Report on Corporate Governance     | 79 |

### Financial Statements

|                                   |     |
|-----------------------------------|-----|
| Standalone Financial Statements   | 96  |
| Consolidated Financial Statements | 180 |



**Dr C.H.Krishnamurthi Rao**

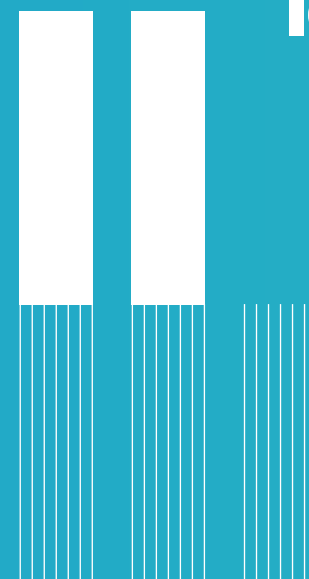
**7.11.1940–19.1.2012**

Founder Chairman–  
Chemfab Team Group of Companies  
Dr Rao Holdings Pte Ltd., Singapore



A Tribute to one  
of the Greatest  
Technocrats,  
**Innovators  
and Visionaries  
of our times**

We at CCAL pledge **to  
carry forward your  
legacy and fulfil your  
cherished dreams.**



# Two Businesses, One Standard of Excellence

Chemfab Alkalis Limited manufactures products that meet two essential needs of a growing economy, industrial chemistry and water infrastructure.



Built on strong technical capability and sustainable operations, the Company runs two independent business divisions, and each has its own markets, growth drivers and operating rhythm.

The chlor alkali division at Puducherry is a fully integrated chemical operation that draws on captive salt fields and in-house utilities. Its portfolio of caustic soda, hydrochloric acid, liquid chlorine and allied products reaches industries as varied as aluminium, textiles and pharmaceuticals, and vertical integration, process innovation and disciplined environmental compliance together keep the model cost efficient through commodity cycles.

The Oriented Poly Vinyl Chloride (OPVC) pipes division at Sri City in Andhra Pradesh serves India's expanding water distribution networks. Its products are specified in public infrastructure programmes across a growing number of states, and its advanced technology and precision manufacturing position the division to meet the rising need for durable and efficient pipeline systems.



## Vision Statement

To achieve leadership through highly efficient operations, best practices and environment-friendly technology, thereby generating significant value to all stakeholders.



## Our Moto

Technological dynamism with environmental commitment.



02

Manufacturing units across India

219

Team members across all operations

65,700 TPA

Chlor alkali installed capacity (in TPA)

20,000 TPA

OPVC pipes capacity as of FY26 (TPA)

68%

FY26 revenue from chlor alkali segment

32%

FY26 revenue from OPVC pipes segment

## OUR JOURNEY

# A Record of Firsts in Chemistry and Infrastructure

## Chlor-Alkali Business

For over four decades, the chlor-alkali division has defined Chemfab's standing as an integrated manufacturer of essential chemicals. Built on in-house salt fields and rigorous process control, the business has repeatedly set industry benchmarks in energy efficiency, environmental care and operational safety.

### 1980s–2000s: Foundations and Firsts

**1985:** First in India to implement membrane cell technology for caustic soda production, eliminating mercury and improving efficiency with a pilot capacity of 6,250 TPA

**1997:** Capacity enhanced to 33,000 TPA

**2003:** Became the first company globally to introduce ultrafiltration for brine clarification, offering major environmental benefits

**2005:** Developed an eco-friendly process to separate sodium sulphate from brine, eliminating the need for barium chloride as a chemical input

### 2010s: Leadership in Sustainability

**2011:** Patented the world's first fully enclosed negative pressure system to contain chlorine gas safely

**2012:** Patented a process to produce soda ash from flue gas

**2013:** First Indian plant to conduct a carbon footprint study, leading the sector in low-carbon operations

**2014:** Upgraded to BitAC® electrolyzers, implemented all fourteen OSHAS elements for process safety, and became the first chlor-alkali plant in India certified to ISO 14001 and ISO 45001 management systems

### Late 2010s–Present: Advanced Circularity and Modernisation

**2017:** Patented zero-waste process, converting brine sludge to usable bricks

**2022:** Enhanced caustic soda capacity from 45,600 TPA to 65,700 TPA and installed an advanced recycled water plant

**2023:** Patented a technology to remove trace iodide from brine

**2024:** Transitioned to LNG, migrated to SAP S/4 HANA for digital integration, and commercially stabilised brine sludge-based brick production

**2025:** Commissioned a new-generation electrolyser plant in November 2025, replacing the 1994 installation, and tied up hybrid renewable power to meet close to half of the plant's energy needs

## OPVC Pipes Business

Since 2018, the OPVC pipes division has grown into a defining participant in India's water infrastructure build-out. Combining advanced automation with proven global technology, the business supplies high-strength, durable piping to major public projects across an expanding set of states.

### 2017–2020: Market Entry and Establishment

**2017:** Bureau of Indian Standards issued IS 16647:2017 for OPVC pipes, paving the way for formal adoption and local manufacturing

**2018:** Chemfab commissioned its first OPVC pipes line at Sri City, Tada with a capacity of 3,000 TPA, collaborating with Molecor Tecnología S.L. of Spain

**2020:** A second OPVC line doubled installed capacity to 6,000 TPA, positioning the Company among India's leading OPVC producers

### 2021–2026: Expansion and Product Leadership

**2021:** Became the first Indian manufacturer of OPVC pipes up to 630 mm in diameter and received a BIS certificate of appreciation for zero failures

**2024:** Commissioned Lines 3 and 4, expanding capacity from 6,000 TPA to 14,000 TPA and extending the product range from 110 mm to 630 mm diameters

**2025–26:** Commissioned Lines 5 and 6 during FY26, raising capacity from 14,000 TPA to 20,000 TPA, the largest operational OPVC capacity in India

### Sectoral Impact and Market Expansion

OPVC pipes are now approved in 15 states, with an established role in government water programmes under the Jal Jeevan Mission and AMRUT 2.0

Line 7 is scheduled for Q2FY27, taking capacity to 23,000 TPA and completing the Sri City build-out

# The Chemistry That Keeps Industry Moving

The Chlor Alkali vertical anchors Chemfab Alkalies Limited's diversified operations, supplying chemical products that keep core industrial sectors running.



Structured as a fully integrated platform, the business combines in-house resources, tight process control and environmentally conscious technologies, a combination that has earned Chemfab a reputation for dependable supply and consistent quality. The portfolio serves clients

in aluminium processing, textiles, paper, water treatment and pharmaceuticals, among others. Continuous improvement, exacting safety protocols and steady progress in green chemistry allow the division to stay ahead of regulatory expectations and customer requirements.

## Product Portfolio and End-Use Applications

**A** Applications **E** End-Use Industries

### Caustic Soda Lye

**A**

Used as a neutralising agent, cleaning agent, and pH regulator.

**E**

Aluminium manufacturing, paper and pulp, and the soaps and detergents sector.

### Caustic Soda Flakes

**A**

Integral to chemical synthesis and soap manufacturing.

**E**

Serves chemical manufacturing, pharmaceuticals, and food processing.

### Liquid Chlorine

**A**

Essential for disinfection, bleaching, and chemical synthesis.

**E**

Utilised in water treatment, vinyl manufacturing, production of inorganic chemicals, paper and pulp, and pharmaceuticals.

### Hydrogen Gas

**A**

Deployed for hydrogenation and as a fuel source.

**E**

Applied in hydrogenation of oils and fats, chemical industry, and fuel cells.

### Hydrochloric Acid

**A**

Functions as a pickling agent, pH regulator, and for priming.

**E**

Adopted by steel, water treatment plants, effluent treatment facilities, pharmaceuticals, and the oil and gas sector.

### Sodium Hypochlorite

**A**

Used extensively for bleaching and disinfection.

**E**

Textiles, water treatment, and pharmaceuticals.

## BUSINESS SEGMENT 1 – CHLOR ALKALI

### Integrated Value Chain Driving Efficiency and Resilience

Chemfab Alkalies Limited's Chlor Alkali operations rest on an integrated value chain that secures supply and optimises every stage of resource use. Control over key upstream and downstream segments gives the Company resilience through market cycles, cost competitiveness and a stronger sustainability profile.

#### Certifications and Awards

First plant in India to implement all fourteen elements of Process Safety Management as per OSHA guidelines.



Among the first Indian chemical facilities to achieve ISO 14001 (environmental management) and ISO 45001 (occupational health and safety) certifications.



Recognised as the greenest chlor-alkali plant in India



#### Plant Highlights

# 65,700 TPA

Installed caustic soda capacity

# NABL

Accredited quality assurance laboratory overseeing stringent product and process validation

# 70%+

Of the 37-acre campus maintained as a green belt

# Location

within a Puducherry government-promoted industrial area

### Backward Integration

#### Captive Salt Operations

Chemfab owns and manages salt fields at Kanthadu and Chunampet, together spanning over 1,670 acres. Natural solar evaporation across these holdings assures a continuous supply of high-quality salt with a minimal environmental footprint.

Raw material travels less than 40 km to the plant, keeping logistics costs low and enabling just-in-time delivery.

Captive sourcing insulates operations from market price volatility, gives the Company control over input specifications and reinforces environmental stewardship.

Investment proposed in captive ISTS hybrid power for 10 MW. This will enhance company power requirements are met more than 55% from renewable sources. This is a continuation of the various sustainability initiatives by the Company and also enhances the cost competitiveness of the business.



### Forward Integration

#### Downstream Product Development

Chlorine and other co-products from caustic soda production are channelled into value-added chemicals, principally anhydrous aluminium chloride.

The 10,000 TPA aluminium chloride plant at Karaikal, commissioned in February 2024 under a wholly owned subsidiary with a Phase 1 investment of ₹50 crore, ensures captive consumption of chlorine.

This integration diversifies the revenue base and reduces dependence on external off-take agreements.

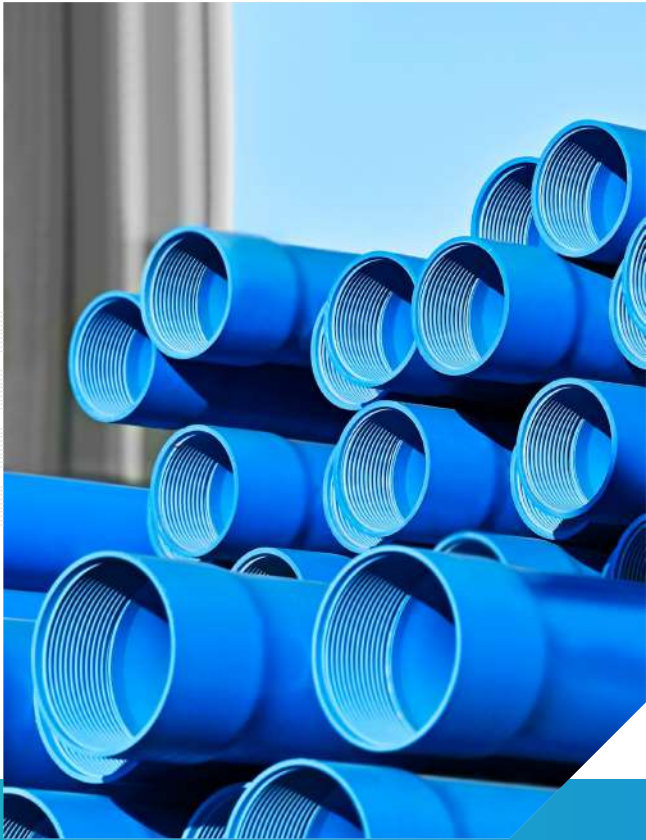


# Advanced Piping for India’s Water Transformation

Chemfab Alkalys Limited entered the manufacture of Oriented Polyvinyl Chloride (OPVC) pipes in 2018, placing itself early in a segment that is now central to India’s water infrastructure agenda.



OPVC pipes represent a new generation of high-performance polymer piping, engineered as a superior substitute for ductile iron (DI) pipes in modern water networks. Molecular orientation technology gives them exceptional strength, a long service life and complete immunity to corrosion, which together lower maintenance and operating costs over the life of a project.



## Superior Value Proposition

| Parameter                              | OPVC                                            | DI Pipes                                        |
|----------------------------------------|-------------------------------------------------|-------------------------------------------------|
| Lifespan                               | 100+ years                                      | 75 years                                        |
| Weight                                 | DI pipes are 6-12 times heavier than OPVC Pipes | Heavier, requires heavy machinery for handling  |
| Hydraulic Capacity & Energy Efficiency | Up to 30% higher flow; lower pumping costs      | Lower flow, higher pumping costs                |
| Corrosion Resistance                   | Immune to corrosion                             | Requires protective coating, prone to corrosion |
| Installation Cost                      | Lower, fewer handling challenges                | Higher installation and handling costs          |
| Size Range                             | 110 mm to 630 mm diameter                       | Wide range                                      |
| Environmental Impact                   | A Lower carbon footprint                        | Higher carbon footprint                         |

## Rapid Market Adoption and Expanding Opportunity

The advantages of OPVC pipes are converting steadily into procurement decisions across India's water projects. From formal standardisation in 2017, the product has moved into the mainstream of government-led programmes, carried by evolving standards, budgetary support and sustained policy attention. Fifteen states have now approved OPVC pipes for public water supply schemes, with Bihar and Gujarat added during FY26.



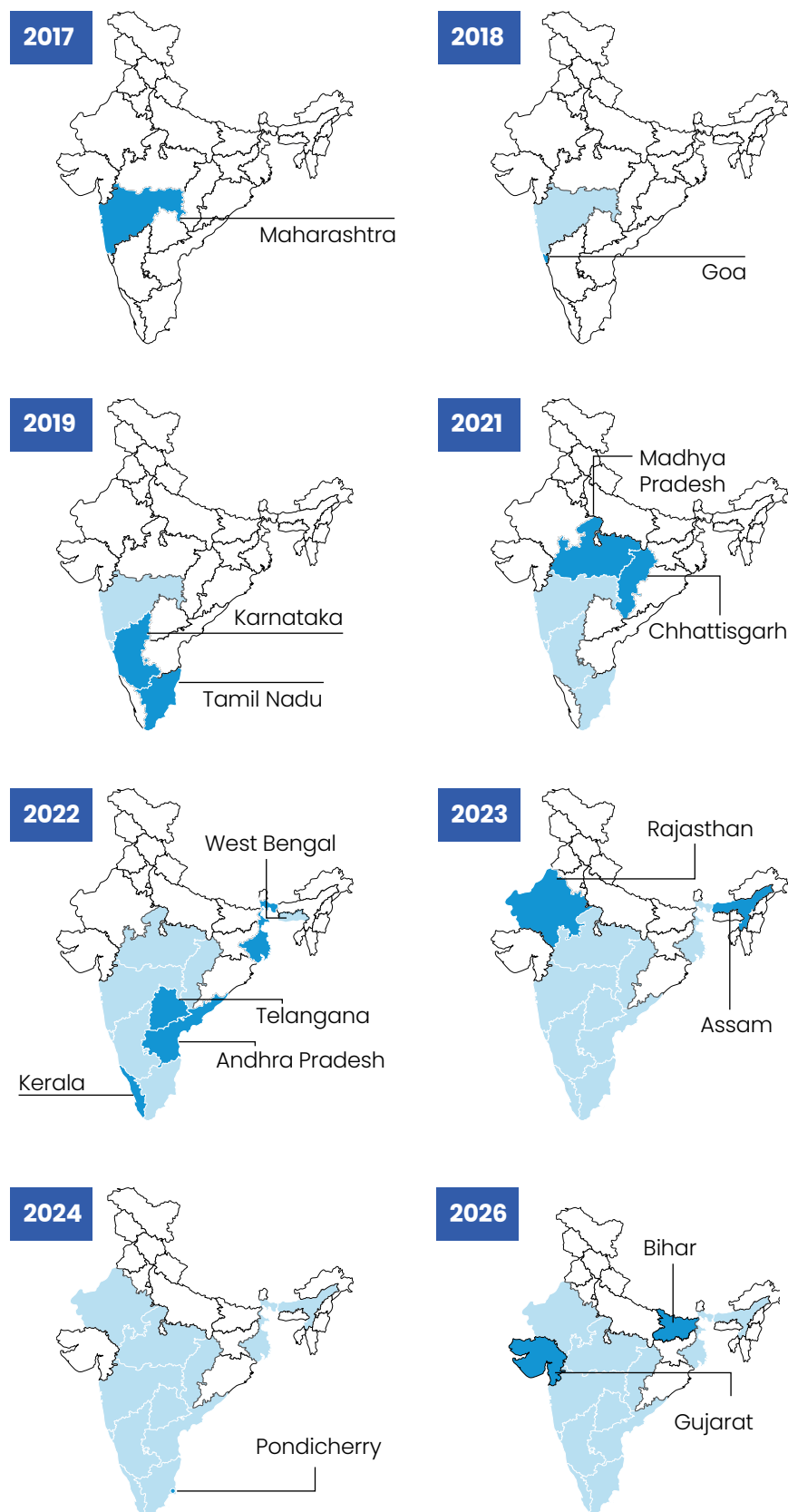
### A Burgeoning Opportunity

The OPVC pipes market size stood at ₹225 crore in FY26 and is projected to expand about fourfold to ₹1,000 crore by FY29, as per management estimates.

The Union Cabinet approved Jal Jeevan Mission 2.0 in March 2026, extending the Mission to December 2028, and the Union Budget allocated ₹67,600 crore to the Mission for FY27, restoring funding visibility for water infrastructure projects.

Approval of OPVC pipes by 15 state governments for large-scale public works continues to broaden the market base and support nationwide acceptance.

## State-Wise Year of Acceptance



map not to scale only for illustration purpose

## Capitalising on the Opportunity

The OPVC Pipes facility at Sri City, Andhra Pradesh is India's largest and most advanced plant for the product, operational since December 2018. With six lines now in production, the site manufactures the widest range in the country, from 110 mm to 630 mm diameter, using a continuous two-stage extrusion process and advanced molecular orientation techniques under a technology partnership with Molecor of Spain.

### Key Highlights

Largest operational OPVC pipes capacity in India

Plug-and-play design enables new lines to stabilise within 15 days of installation

BIS and ISO certified, with 38 quality checks per production batch and full raw material traceability

Only Indian manufacturer producing OPVC pipes up to 630 mm diameter, backed by a global technology partnership



**20,000 TPA**

Installed OPVC Pipes Capacity

**#1**

First Indian OPVC Plant with BIS Zero Failures Certification

**6**

Operational lines as of FY26

**100+**

Executed Projects

**5,000+**

Kms of Pipes Installed



## GROWTH DRIVERS

# National Missions Anchoring Long-Term Demand

Government programmes such as the Jal Jeevan Mission and AMRUT 2.0 continue to redraw India's water infrastructure map. Their renewed funding cycles and extended timelines give OPVC pipe manufacturers demand visibility stretching well beyond the current year.



## Jal Jeevan Mission

As on May 2026, around 15.84 crore rural households, or 81.88% of the total, had functional tap connections, against 3.23 crore households when the Mission began in 2019. The remaining coverage, together with system upgrades and service-quality mandates, defines the next phase of demand.

The Union Cabinet approved Jal Jeevan Mission 2.0 on 10 March 2026 with revised operating guidelines, extending the Mission to December 2028. The restructured framework shifts emphasis from asset creation to assured service delivery, supported by fresh memoranda of understanding between the Centre and the states.

The Union Budget for FY27 allocated ₹67,600 crore to the Mission, restoring funding after a year in which releases were held back pending Cabinet approval. The resumption is expected to revive tendering and project execution from Q2 FY27.

(Source: Jal Jeevan Mission dashboard; Union Budget 2026-27)

**₹22,694  
crore**

FY25 budgeted allocation  
for Jal Jeevan Mission

**₹67,600  
crore**

FY27 budgeted allocation  
for Jal Jeevan Mission



## AMRUT 2.0

AMRUT 2.0, launched in October 2021, targets universal water supply in all statutory towns and complete sewerage and septage management in 500 cities. This dual focus on water delivery and waste management sustains the requirement for durable, high-quality piping.

The Union Budget for FY27 provided ₹8,000 crore of active central funding beyond the programme's original horizon, keeping procurement live. Approvals under the programme cover 1.26 lakh km of new and replacement water pipelines, 34,548 km of sewer networks and 178 lakh new household tap connections.

An emphasis on water body rejuvenation, recycling and conservation extends the adoption of technologically advanced materials such as OPVC pipes.

(Source: Press Information Bureau)

**₹2,99,000  
crore**

Total outlay for AMRUT 2.0  
including central share

**₹8,000  
crore**

FY27 Budget allocation for  
AMRUT 2.0



CAPACITY EXPANSION PLANS

# Capacity Commitments Delivered on Schedule

## Chlor Alkali Segment

The Company completed its technology modernisation programme during the year, replacing the legacy electrolyser system installed in 1994 with a new-generation plant. The new facility, commissioned in Q3 FY26 after a planned shutdown, brings lower power consumption, higher process automation and improved reliability, and is expected to lift operating volumes and margins from FY27.

The parallel investment in power efficiency, a hybrid renewable energy project structured under a Special Purpose Vehicle, stands ready for supply. Once transmission clearances are received, expected early in FY27, renewable sources will meet about 55% of the plant's power requirement, reducing grid dependence and stabilising energy costs. Together, the two initiatives structurally strengthen cost competitiveness in a commoditised business.

## Capital Expenditure Highlights

### Technology Modernisation Investment

Replacement of the 1994-based electrolyser technology with a modern plant for improved efficiency and lower power costs

New plant commissioned in November 2025, within Q3 FY26

Planned 15-day shutdown completed without lasting impact on output

Full benefits expected to reflect from FY27

₹56 crore

Total investment

### Power Efficiency Project

Hybrid renewable power to be supplied directly under an SPV structure

Plant ready; supply expected to commence in Q1 FY27 following transmission line charging clearances

Renewable energy to meet about 55 % of total power sourcing

No operational disruption during implementation

₹15 crore

Total investment

## OPVC Pipes Segment

India's sustained investment in potable water access, urban network upgrades and irrigation modernisation continues to expand the requirement for high-strength, corrosion-resistant pipes. The Company added two production lines during FY26, positioning itself to serve this demand at scale the moment central funding resumes.

The capital programme is built around plug-and-play modular lines that stabilise within 15 days of installation. Each line carries a revenue potential of ₹45 to 50 crore at full utilisation, with a payback of about two to two and a half years, keeping the expansion capital-efficient.

## Capital Expenditure Highlights

### Capacity Expansion Delivered

Lines 5 and 6 commissioned in Q2FY26 and Q3FY26, raising capacity from 14,000 TPA to 20,000 TPA

Line 7 scheduled for Q2FY27, taking cumulative capacity to 23,000 TPA and completing the Sri City site

An additional facility in a new region under evaluation against emerging market demand

### Capital Commitment

Capex of ₹27 crore and ₹28 crore incurred for Lines 5 and 6 respectively during FY26, with a further ₹30 crore committed for Line 7 with commissioning during FY 26-27

### Strategic Benefits

Enhanced readiness for tender-driven public projects as Jal Jeevan Mission 2.0 funding resumes

Flexible line additions align capacity with demand from flagship government missions

Widest product portfolio, from 110 mm to 630 mm, addressing rural and urban requirements

Stronger competitive positioning through technology depth and manufacturing scale

### Timeline and Impact

Six lines operational as of FY26; the seventh follows in Q2 FY27

Rapid ramp-up shortens the path from installation to revenue contribution

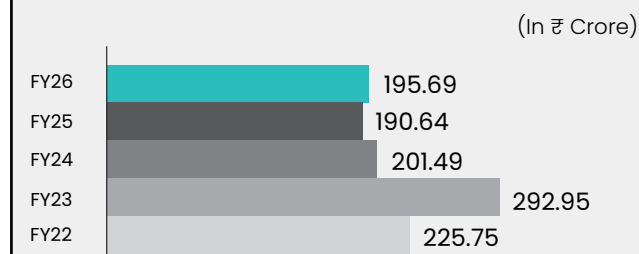
Enlarged capacity supports market share, brand recall and participation across priority segments

## KEY PERFORMANCE INDICATORS

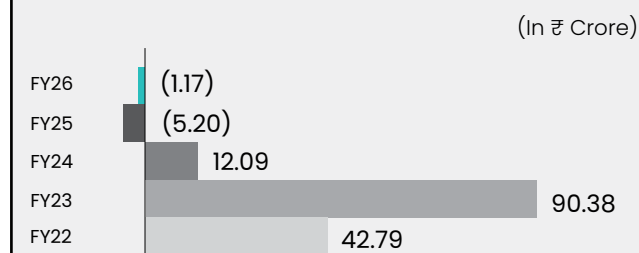
# Tracking Our Performance Over the Years

### Chlor Alkali Segment

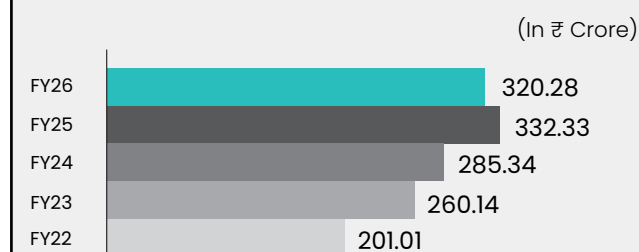
#### Revenue From Operations



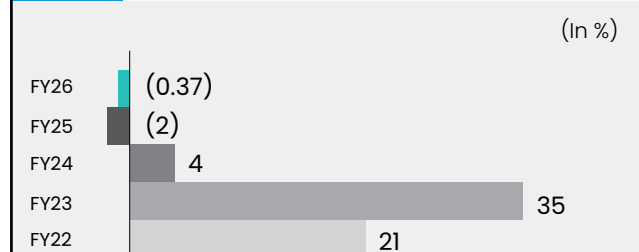
#### EBIT



#### Capital Employed

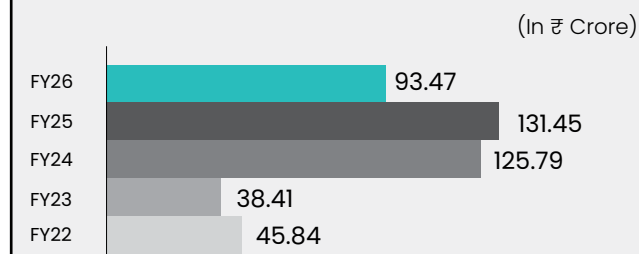


#### ROCE

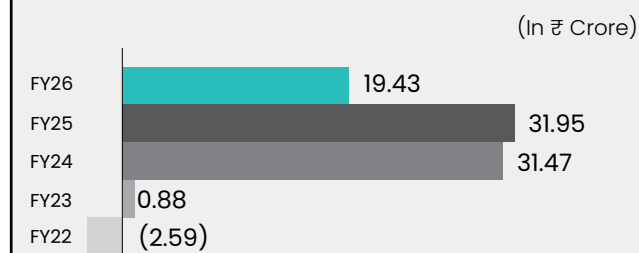


### OPVC Segment

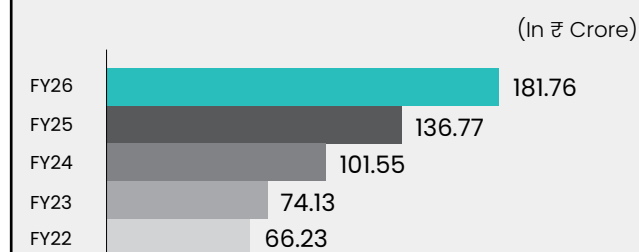
#### Revenue From Operations



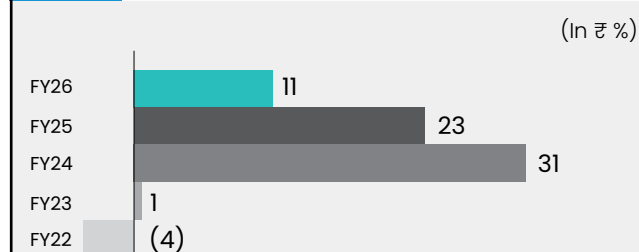
#### EBIT



#### Capital Employed



#### ROCE

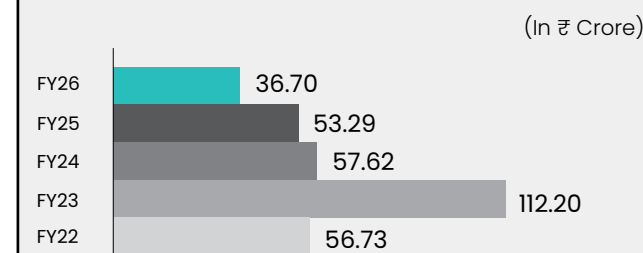


### Financial Highlights

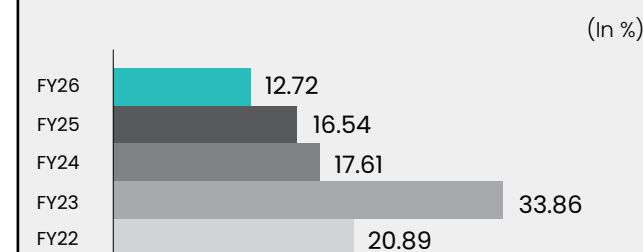
#### Revenue From Operations



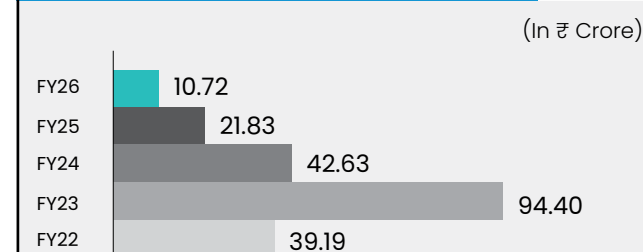
#### EBITDA



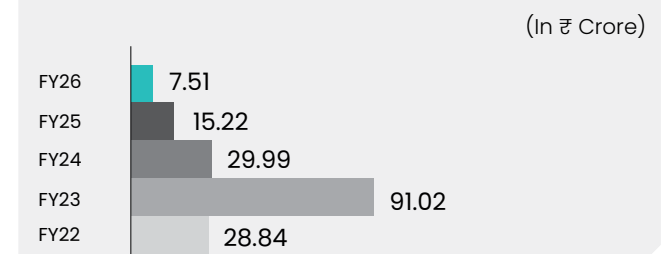
#### EBITDA Margin



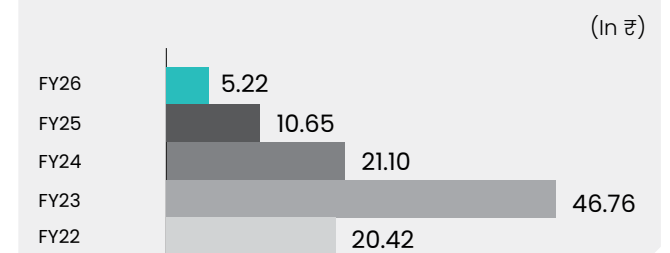
#### Profit Before Tax & Exceptional Item



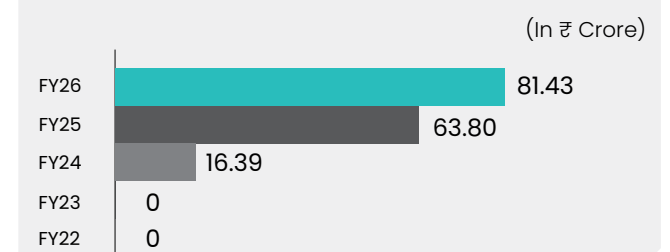
#### Profit After Tax



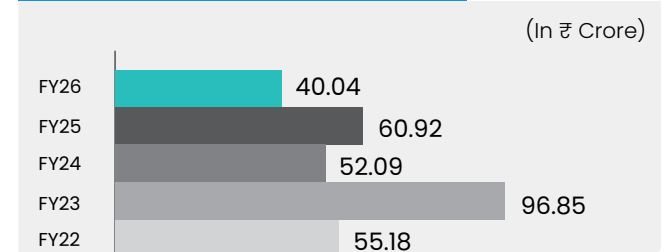
#### Earning Per Share



#### Long Term Borrowings



#### Cash from Operating Activities



# Investing Through a Testing Year

Dear Shareowners,



It is my privilege to present the Annual Report for the financial year ended 31 March 2026. FY26 tested both our businesses simultaneously, Global caustic soda prices remained soft for much of the year, while a prolonged pause in central funding under the Jal Jeevan Mission constrained the OPVC Pipes market for which we had prepared capacity. The Company responded by protecting operational discipline, completing every strategic investment on schedule and positioning itself for the recovery that is now taking shape.

Our two divisions, Chlor Alkali and OPVC Pipes, remain structurally independent, they serving unrelated end markets, responding to different value levers and operate on separate rhythms with no interdependence. We manage each on its own merit, and request shareholders to evaluate them accordingly.

## Chlor Alkali:

This is a commodity business, and we run it as one. Realisations are driven by global price movements and cyclical factors beyond our control.

Our focus therefore remains on what we can influence, cost structures, integration across the value chain and reliability of operations. While short term earning will vary with the cycle, the integrated model is designed to compound value across cycles.

## OPVC Pipes:

This division carries our growth ambition. Since entering the segment in 2018, we have built the country's largest operational capacity and its widest product range. The category's acceptance continues to broaden, particularly in water supply projects, and we believe the opportunity remains in its early stages.

## Market Dynamics in FY26

In the Chlor Alkali segment, the year began under pressure. ECU realisation moderated from ₹42,386 per MT in Q4 FY25 to ₹36,700 per MT by Q2 FY26 as global caustic prices softened amid trade-related uncertainty. A planned maintenance shutdown for replacement of Electrolyser in the Third quarter also affected production. Realisation recovered through the second half to ₹39,100 per MT in Q4 FY26, and we believe global prices have now largely bottomed out, providing a stable base for recovery. Revenue for this segment in this year remained almost similar to previous year.

In the OPVC Pipes segment, the defining development of the year was the funding pause under the Jal Jeevan Mission. The Mission's extension to 2028 was announced in the Union Budget of February 2025, but the Cabinet approval required to release funds came through only on 10 March 2026. No meaningful central funds flowed to Jal Jeevan Mission scheme implementing agencies between October 2024 and March 2026, and tendering activity slowed accordingly. Segment revenue declined to ₹93.47 crore for the year. The division stayed profitable through this period, and we used the year to build a base beyond the Jal Jeevan Mission across multiple states.

## Capital Deployment

During FY26 we completed the major capital projects committed to across both businesses, the electrolyser modernisation and hybrid power initiatives in Chlor Alkali and two new production lines in OPVC Pipes, keeping the Company ready for the recovery ahead.

In the Chlor Alkali segment, the technology modernisation programme was completed with the commissioning of a new-generation electrolyser plant in November 2025, replacing the electrolyser installed in 1994. Power is the largest element of our input cost, and the new plant materially lowers energy consumption while improving automation and plant reliability.

The second initiative, hybrid renewable energy project structured through a dedicated special purpose vehicle, stands ready and awaits final transmission line clearances. Supply is expected to commence from Q1/FY27, after which renewable sources will meet close to 55% of our energy needs. Together, these investments will structurally bring down our production cost, with the full benefits reflecting from FY27.

In the OPVC Pipes segment, we commissioned Lines 5 and 6 during the year, taking capacity from 14,000 TPA to 20,000 TPA, and Line 7 will complete the Sri City site at 23,000 TPA in FY27. Jal Jeevan Mission 2.0 has since been approved with an allocation of ₹67,600 crore for FY27, and meaningful fund flows are expected from Q2 FY27. The groundwork of the past several years, with government agencies, standard-setting bodies and project developers, has taken OPVC pipes from a new product to an accepted specification in 15 states. With capacity in place, the widest product range and established brand equity, we are well positioned to convert the coming funding cycle into growth. We expect business pick up to happen from Q3/FY27.

We are market leaders in this product segment, the only manufacturer in the country offering the full range from 110 mm to 630 mm. As demand normalises, our substantially enhanced production capacity gives us the ability to meet the anticipated surge in demand for OPVC pipes without further lead time.

## Sustainability Initiatives

Sustainability remains integral to how we run the business. With the hybrid power project ready for supply, more than half of our energy needs will shortly be met from renewable sources, largely displacing coal-based power.

Our WOW initiative, which converts non-hazardous brine sludge into bricks, is now stable in operation and enjoy good market acceptance. We remain firmly on course to achieve full recycling and ZERO solid waste, a first for the country's chlor-alkali industry.

## Forward and Upward with Gratitude

I thank the Government, our committed team members and all our stakeholders for their continued support and the trust placed in our Company.

The Board of Directors provided considered guidance and oversight through a demanding year. I place on record my sincere appreciation for their contribution.

Wishing you and your family abundant flow of success, prosperity and good health in the year ahead.

Warm Regards,

Yours faithfully,  
**Suresh Krishnamurthi Rao**  
Chairman

## STRATEGIC FOCUS AREAS

# A Focused Agenda for Scale and Efficiency

Chemfab Alkalis' strategy rests on completing its capacity build-out, deepening technology and holding operating costs among the lowest in each segment. With the OPVC expansion nearing completion and the chlor alkali platform modernised, the Company enters FY27 with its investment phase largely behind it and its enhanced earning capacity ahead.



## Key Focus Areas



## Completing the OPVC Capacity Build-Out

Lines 5 and 6 took capacity from 14,000 TPA to 20,000 TPA during FY26, and Line 7 will complete the Sri City facility at 23,000 TPA in Q2 FY27. This positions Chemfab to fulfil large orders promptly when Jal Jeevan Mission 2.0 funding flows resume and the market regains momentum.



## Technological Excellence in Manufacturing

The manufacturing partnership with Molecor underpins product consistency and operational resilience in OPVC pipes. Advanced extrusion and single-stage socket orientation deliver Class 500 pipes with uniform strength, while 38 quality checks per production batch and full compliance with BIS standards sustain the division's zero-failure record. Continued investment in testing infrastructure keeps quality a durable differentiator.



## Broadening Market Presence and Demand Visibility

OPVC pipes are now approved in 15 states, and the Company widened its order base beyond the Jal Jeevan Mission during FY26. Close alignment with national programmes, including the Mission's extension to December 2028 and AMRUT 2.0, provides long-term demand visibility, while penetration of new geographies builds a more diversified order pipeline.



## Driving Lean Operational Efficiency

High automation, with about ten permanent shop-floor staff per shift, and lean manufacturing practices keep operating expenditure in the OPVC division low. Each line targets payback of about three years, supporting disciplined capital allocation, higher asset utilisation and resilient margins as capacity scales.



## Modernising the Chlor Alkali Platform

The ₹56 crore technology modernisation programme was completed with the new electrolyser plant commissioned in Q3 FY26, and the ₹15 crore hybrid power project will begin supply early in FY27, lifting renewable sourcing to about 55%. Both investments lower the segment's cost base and carbon intensity, the defining variables in a commoditised business.



## Disciplined Investment for Future Readiness

Capital continues to be allocated only where it serves long-term competitiveness. With the current programmes delivered, the Company's focus shifts to realising returns from the enlarged asset base, maintaining financial discipline and retaining the flexibility to invest as India's industrial and water infrastructure requirements evolve.

# Creating Shared Value Through Responsible Citizenship

Our Corporate Social Responsibility programme is built on the belief that development must be inclusive, measurable and locally rooted. During FY26, the Company invested ₹105.58 lakh across seven focus areas covering education and skilling, safe drinking water, healthcare, sustainable agriculture, environmental sustainability, rural infrastructure and sports, working through established implementation partners across Puducherry, Tamil Nadu and Karaikal.



## Promoting Access to Safe Drinking Water

The Company installed Reverse Osmosis drinking water facilities at two government institutions during the year. A unit commissioned at the Government Technical Higher Secondary School, Lawspet, with an investment of ₹2.43 lakh, serves approximately 400 students, while a second facility at Kendriya Vidyalaya No. 2, University Campus, Kalapet, at ₹2.41 lakh, serves approximately 900 students. Both installations provide a reliable supply of potable water and reduce dependence on unsafe sources.

An Atmospheric Water Generator was also installed at the Madras Craft Foundation, Chennai, at a cost of ₹5.00 lakh. The technology extracts moisture from the air to produce potable water, providing a low-impact source of drinking water for visitors, staff and the surrounding community.



## Strengthening Educational Infrastructure

Education accounted for the largest share of CSR spending during the year at ₹46.38 lakh. The Company supported the construction of a three-classroom block at J.G. Government Higher Secondary School, Mandali, Chennai, through the Giving Matters Foundation, with an investment of ₹11.00 lakh, easing classroom congestion and adding capacity in a safe learning environment.

A smart classroom was established at Varadhan Government School, Pillaichavadi, at ₹2.00 lakh, equipping the school for interactive and multimedia-based teaching. A further ₹3.50 lakh was extended to government schools at Villipakkam, T.R. Pattinam and Kurumapalayam towards infrastructure and learning requirements.



## Advancing Science and Foundational Learning

A STEM Mini Science Centre was established at the Government Higher Secondary School, Karikalampakkam, through the Samabhavana Foundation and STEM Learning Private Limited at a cost of ₹4.37 lakh. The centre carries 80 interactive learning modules aligned to the school curriculum and serves approximately 400 students. The final instalment of ₹1.00 lakh was also released for the Mini Science Centre established earlier at Chevalier Sellane Government School, Puducherry.

At the foundational level, the Company partnered the Lotus Foundation to deliver an early childhood education programme across ten Anganwadi centres at Kanagachettikulam and Kalapet, with an investment of ₹4.91 lakh. A separate ₹3.00 lakh supported the Disha Foundation in running its Easy English Learning Programme for primary school students.



## Widening Access Through Assistance and Inclusive Skilling

Direct financial assistance helps students stay in education where cost is the binding constraint. The Company extended ₹10.00 lakh to the Pujyashri Mathioli Saraswathi Brindavanam Charitable Trust and ₹5.00 lakh to the M.O.H. Farook Education Trust towards academic programmes, learning resources and student welfare for students from economically weaker backgrounds.

Skilling support was extended to the Deaf EnAble Foundation with ₹1.60 lakh towards computer and Tally accounting courses for hearing-impaired students, improving their employability and access to sustainable livelihoods.



## Strengthening Public Health Infrastructure

Under the Nikshay Mitra programme, the Company continued its support for the national tuberculosis elimination effort by funding nutritional supplements for 560 patients through the Lotus Foundation, with an outlay of ₹4.90 lakh. Nutritional support during the course of treatment improves adherence and recovery outcomes.

The Company also donated a ventilator to the Rotary Club of Madras South Charitable Trust at a cost of ₹5.00 lakh, strengthening critical care capacity and the ability of supported institutions to provide timely respiratory care.



## Improving Rural Infrastructure and Promoting Sport

LED street lights were installed across Pillaichavadi Village at a cost of ₹14.90 lakh, the largest single community development project of the year. The energy-efficient lighting improves night-time visibility and road safety for residents and commuters while lowering the energy required for public lighting.

The Company also supported the Tsunami Kudiyruppu Makkal Nala Sangam, Periyakalpet, with ₹1.00 lakh towards a structured sports training programme for rural youth, providing coaching that develops physical fitness, discipline and teamwork.

# ₹105.58 lakh

Total CSR investment in FY26

# 1,300

Students with access to safe RO drinking water

# 10

Anganwadi centres covered under early childhood education

# 3

Classrooms constructed at J.G. Government Higher Secondary School, Manali

# 560

Tuberculosis patients supported under Nikshay Mitra

# 80

Interactive STEM modules installed at the new Mini Science Centre

# Creating Environmental Value Beyond Compliance

Environmental performance at Chemfab Alkalies Limited is managed on two tracks: reducing the footprint of our own operations, and restoring ecological capacity in the communities around our plants. Both advanced during FY26, with the completion of the technology modernisation programme in Chlor Alkali and ₹10.96 lakh committed to afforestation, water body restoration and biodiversity conservation.

## Afforestation through Miyawaki Forest Development

The Company continued its green cover programme with the Annapradokshana Trust, developing dense native forests using the Miyawaki method. Two urban forests of 2,000 sq ft each were established at Kendriya Vidyalaya No. 1, JIPMER Campus, and the Motilal Nehru Government Polytechnic, Lawspet, with an investment of ₹5.26 lakh. A third forest was established within the campus of Kendriya Vidyalaya No. 2, University Campus, Kalapet, at ₹2.43 lakh.

Planted with native species, these forests support biodiversity, sequester carbon and improve local air quality. Sited within educational campuses, they also serve as learning resources that build environmental awareness among students.



## Progressing Towards Zero Solid Waste

The WOW initiative, which converts non-hazardous brine sludge into bricks, is now stable in operation and its output has gained market acceptance. The Company remains on course to achieve full recycling and zero solid waste, which would be a first for the chlor alkali industry in India.

## Reducing the Energy Intensity of Manufacture

Power is the largest element of input cost in chlor alkali production, which makes energy efficiency both a commercial and an environmental priority. In November 2025 the Company commissioned a new-generation electrolyser plant, replacing the system installed in 1994. The new plant materially lowers specific energy consumption while improving automation and plant reliability.

The hybrid renewable energy project, sourced through a dedicated special purpose vehicle, stands ready and awaits final transmission line clearances. Supply is expected to commence early in FY27, after which renewable sources will meet close to 55% of the Company's energy requirement, largely displacing coal-based power.



## Restoring Water Bodies through Pond Renovation

The Company funded the renovation of the Mooliyan Pond at Poornankuppam Village through the Dhanasundarambal Charitable Society, with an investment of ₹3.00 lakh. Desilting and restoration works were undertaken to recover the storage capacity of the water body, improve rainwater retention and support groundwater recharge across the surrounding area.



## Conserving Medicinal Plant Diversity

Maintenance of the herbal garden at the Primary Health Centre, Kalapet, was supported through Green Blossoms with an investment of ₹0.27 lakh. The garden preserves medicinal plant species within the healthcare campus and builds awareness of their use among patients, visitors and health workers.



## Supporting Sustainable Agriculture and Rural Livelihoods

Through the Annapradokshana Trust, the Company continued the Farmers' Livelihood Revitalisation Project with an investment of ₹12.60 lakh. The programme supplied quality seeds, organic fertilisers and farm utilities including sprayers, tarpaulin sheets and seed spreaders to farmers who lacked the working capital to procure inputs at the start of the season.

Seventy-one farmers cultivating approximately 56 acres benefited during the year. By enabling timely sowing with quality inputs, the programme supports crop yields and the shift towards more sustainable farming practices.



# 55%

Share of energy requirement to be met from renewable sources once hybrid power supply commences in FY27

# ₹10.96 lakh

Invested in environmental sustainability projects during FY26

# 71

Farmers supported under the Farmers' Livelihood Revitalisation Project

# 56

Acres cultivated with supported agricultural inputs

# 1994

Year of the electrolyser system replaced by the new-generation plant



# Empowering Our People for a Sustainable Tomorrow

Our people remain the foundation of operational reliability and long-term performance. During FY26 the Company strengthened its capability-building framework, deepened leadership communication and continued to invest in a culture of accountability and collaboration across all manufacturing locations, extending development access and recognition to permanent employees and the contract workforce alike.



## Capability Building Through Structured Learning

Learning remained a strategic priority, with the training framework expanded across safety, technical, behavioural and awareness programmes. Interventions were delivered across manufacturing, maintenance, support functions and leadership teams, strengthening technical expertise, operational discipline and behavioural competence.

Key programmes during the year covered Process Safety Management, Emergency Response, Technical Skill Development, Building High Performance Teams and functional capability enhancement. The structured approach links individual development to defined organisational objectives rather than treating training as a standalone activity.



## Leadership Connect Through Townhall Engagement

Townhall meetings continued across all business units, giving employees direct access to leadership. These forums carried updates on business performance, strategic priorities, safety performance and growth initiatives, and provided a structured channel for employees to raise ideas, feedback and improvement suggestions.

Sustained emphasis on transparent communication through a demanding year reinforced trust and kept teams aligned on priorities at every level.



## 40<sup>th</sup> Annual Day: Strengthening Workplace Collaboration

The 40<sup>th</sup> Annual Day was celebrated in June 2025, with distinct events held for employees and for contract workmen. The celebrations recognised individual and team contributions, while cross-functional interaction through the day reinforced collaboration across departments. Winners of sport events received mementoes, underlining the value the Company places on participation across the extended workforce.



## Recognition Across the Extended Workforce

Contract workmen work alongside permanent employees in plant operations, and the Company extends its engagement and recognition practices to them. Recognition programmes, engagement initiatives and cross-functional interaction during the year acknowledged the contribution of every participant in plant operations.



## Excellence in Workplace Culture

Chemfab Alkalys retained its Great Place to Work certification for the third consecutive year. The certification rests on comprehensive employee feedback and an independent workplace assessment, and its renewal through a year of operational and market pressure indicates a culture that holds under demanding conditions.

4<sup>th</sup>

Consecutive year of Great Place to Work certification

40<sup>th</sup>

Annual Day celebrated in June 2025

4

Focus areas in the structured training framework

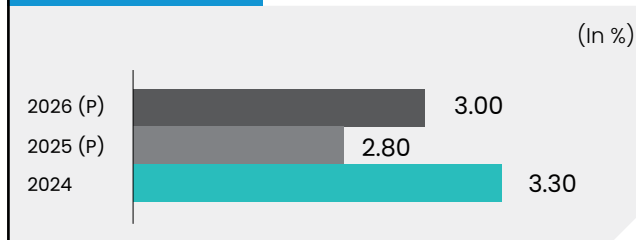
# Management Discussion and Analysis

## Global Economy

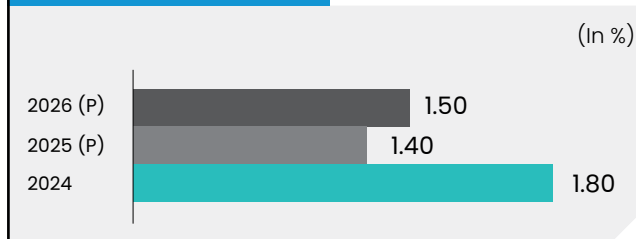
The global economy carried reasonable momentum into 2026 before being tested by the outbreak of war in the Middle East at the end of February 2026. Through 2025, headwinds from higher trade barriers and elevated policy uncertainty were offset by technology-related investment, accommodative financial conditions and continued fiscal support. According to the International Monetary Fund, global output grew at about 3.4% through 2024 and 2025,

### Real GDP Growth Projections

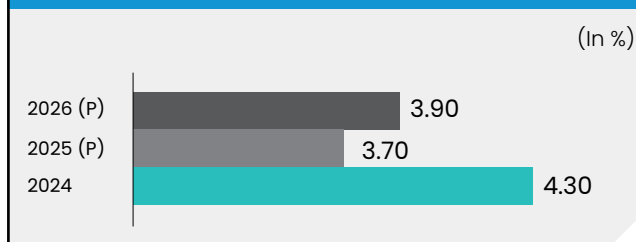
#### Global Economy



#### Advanced Economies



#### Emerging Markets and Developing Economies



(P): Projected

Source: International Monetary Fund, World Economic Outlook Projections, April 2025)

and is projected at 3.1% in 2026, recovering to 3.2% in 2027, on the assumption that the conflict remains limited in duration and scope.

(Source: IMF World Economic Outlook, April 2026.

The moderation is broad-based, though its incidence is uneven. The downgrade to 2026 growth falls mainly on emerging market and developing economies, revised down by 0.3 percentage points relative to the January 2026 update, while forecasts for advanced economies are broadly unchanged.

Global headline inflation is expected to rise to 4.4% in 2026 on higher energy prices before easing to 3.7% in 2027. Central banks have signalled readiness to look through the supply shock provided inflation expectations stay contained, and the balance of risks stays on the downside, tied to the duration of the conflict, geopolitical fragmentation and trade policy. (Source: IMF World Economic Outlook, April 2026) remain steady, with expansion forecast at 3%. The European region is expected to report modest growth of 1.2%. The United States economy is anticipated to slow further, growing by 1.7%. G20 inflation is projected to ease from 3.8% in 2025 to 3.2% in 2026.

## Indian Economy

India stood out in this environment. Real GDP grew 7.7% in FY26 as per the provisional estimates of national income, improving on 7.1% in FY25, led by resilient domestic consumption, government capital expenditure and a strong services sector. Growth of this order, achieved amid global trade frictions and a late-year commodity shock, underlines the breadth of the domestic economy.

Consumer price inflation remained comfortably within the central bank's target band through the year, with headline CPI at 3.4% in March 2026. The benign inflation trajectory allowed the Reserve Bank of India to lower the benchmark repo rate to 5.25% during the year, supporting credit growth and investment while preserving macroeconomic stability.

(Source: Ministry of Statistics and Programme Implementation).

Manufacturing activity strengthened on improved capacity utilisation, public infrastructure spending and policy support for value addition, and the services sector maintained steady momentum. Goods and Services Tax collections for FY26 stood at ₹22.27 lakh crore, marginally higher than the ₹22.08 lakh crore collected in FY25, reflecting steady consumption through a year of external volatility.

(Source: Goods and Services Tax Network)

For FY27, the Reserve Bank of India projects GDP growth of 6.6%, a forecast trimmed from 6.9% on account of elevated energy prices and supply disruptions arising from the conflict in West Asia. India's structural strengths, favourable demographics, continuing formalisation and supply-chain diversification, are expected to support a stable growth trajectory over the medium term.

(Source: RBI Monetary Policy Statement, June 2026).

## Industry Overview

India's chemical industry remains a critical component of the manufacturing sector, contributing about 7% to gross domestic product and supplying key downstream sectors from agriculture and pharmaceuticals to textiles, automotive and construction. India is the sixth-largest chemical producer globally and ranks third in Asia.

(Source: IBEF)

The domestic chemical market was estimated at about USD 250 billion in 2024. Industry projections place the market at around USD 300 billion by 2028, with long-run potential approaching USD 1 trillion by 2040, contingent on policy continuity, feedstock security and infrastructure development. India's share of global chemical consumption remains modest relative to this potential.

(Source: IBEF)



Policy reform continues to improve the sector's competitiveness. The Goods and Services Tax framework, liberalised foreign direct investment and the Production-Linked Incentive scheme have each supported manufacturing growth and improved the investment climate. Structural challenges nonetheless persist.

Import dependence, particularly in petrochemical intermediates and speciality chemicals, sustains a sizeable trade deficit. Limited backward integration and a concentration in commodity grades restrict value-chain advancement, while feedstock constraints and logistical inefficiencies continue to influence production costs and operational efficiency.

The domestic market remains well supported by demographic trends, rising incomes and demand from end-use sectors. With targeted investment, regulatory alignment and an emphasis on sustainability, the industry is positioned to deepen its participation in global supply chains over the long term.

### Chlor Alkali Industry

The chlor alkali industry supplies inputs essential to India's industrial base: caustic soda, chlorine and hydrogen. Caustic soda serves alumina, textiles, pulp and paper, chemicals and the soap and detergent industry, while chlorine feeds PVC and downstream derivatives such as chloromethanes and chlorinated paraffin wax. With installed annual capacity of about 6.4 million tonnes, India is the third-largest producer of caustic soda globally, after China and the United States.

(Source: Alkali Manufacturers Association of India)

Capacity continues to grow faster than domestic demand, at roughly 9% a year against about 4%, keeping the industry in structural surplus and lifting export volumes. Utilisation across the industry has held near 80% in recent years. Long-term demand remains underpinned by consumer-linked and industrial applications, favourable demographics and infrastructure-led consumption.

(Source: AMAI; Argus Media)

In FY26, domestic caustic soda prices stayed soft for much of the year as surplus supply met subdued global demand, with domestic bulk prices by mid-2025 back near their levels of a year earlier. Realisations improved gradually from the third quarter, supported by firmer chlorine offtake, and prices spiked in March 2026 as the conflict in the Middle East disrupted trade flows, before retracing by April. With capacity additions likely to outpace demand in the medium term,

market diversification, technology integration and energy efficiency will determine competitiveness, and investment in green manufacturing will remain central to long-term resilience.

(Source: ChemAnalyst).

### OPVC Pipes Industry

India's water resources remain under pressure from rising demand, continued urbanisation and industrial growth. Freshwater availability is constrained and dependence on groundwater keeps increasing, holding long-term water security at the centre of public policy.

The Government of India has responded with sustained investment in water supply and management. Jal Jeevan Mission 2.0, approved by the Union Cabinet in March 2026, carries a total outlay of ₹8.69 lakh crore through December 2028, and river interlinking projects worth ₹2.6 lakh crore are in implementation. The restructured Mission shifts emphasis from construction alone to assured, citizen-focused service delivery.

(Source: Union Cabinet decision, March 2026)

FY26 was an unusual year for the sector. The Mission's extension had been announced in the February 2025 Budget, but releases awaited formal Cabinet approval, and against a budget estimate of ₹67,000 crore the revised estimate for the year fell to ₹17,000 crore and actual release was only about Rs 1560 Cr. The approval of March 2026, followed by the FY27 allocation of ₹67,600 crore, restores the funding pipeline for rural water infrastructure.

AMRUT 2.0 complements this effort in urban India, targeting universal tap connections in statutory towns and complete sewerage coverage in 500 cities, with ₹8,000 crore allocated for FY27. Approvals under the programme span 1.26 lakh km of new and replacement water pipelines, 34,548 km of sewer networks and 178 lakh new household tap connections, sustaining demand for durable pipeline solutions.

### Growing Role of OPVC Pipes

Oriented Polyvinyl Chloride, or OPVC, pipes have increased their presence in government-led water supply projects, combining high strength, superior hydraulic performance and a service life beyond conventional materials. They are corrosion-resistant and reliable across varying pressure and climatic conditions. Fifteen states have approved their use, and the market, valued at ₹225 crore in FY26, is projected to reach about ₹1,000 crore by FY29 as per management estimates, driven by flagship missions and replacement demand for legacy pipelines.

## Company Overview

Chemfab Alkalies Limited operates across India's chlor alkali and advanced polymer piping sectors.

The chlor alkali segment produces caustic soda, chlorine and associated value-added chemicals through a fully integrated value chain, supplying critical materials to aluminium, paper, soaps and detergents, textiles, pharmaceuticals and water treatment. Backward integration into captive salt and forward integration into aluminium chloride give the segment raw material security and internal chlorine offtake, supported by strong process safety standards and environmental compliance.

The OPVC pipes division serves the evolving needs of India's water management and infrastructure sectors from its Sri City facility, producing the country's widest range of OPVC pipes for major water supply and irrigation projects under national programmes.



## Performance Review

FY26 was a subdued year for the Company. Revenue from operations stood at ₹288.56 crore against ₹322.09 crore in FY25, operational EBITDA at ₹36.70 crore with a margin of 12.72%, and profit after tax at ₹7.51 crore. In the chlor alkali segment, revenue held broadly steady at ₹195.69 crore and the EBIT loss narrowed to ₹1.17 crore from ₹5.20 crore, as realisations recovered through the second half and the modernised plant began contributing. The OPVC segment remained profitable, with EBIT of ₹19.43 crore on revenue of ₹93.47 crore, though both were lower than the prior year. The division's performance was shaped almost entirely by the pause in Jal Jeevan Mission funding:

- **Suspension of Fund Flows**

No meaningful central funds were released under the Jal Jeevan Mission between October 2024 and March 2026, as the Mission's extension awaited Cabinet approval. Against a budget estimate of ₹67,000 crore for the year, the actual funds released was about ₹1560 released in March 2026.

- **Deferred Tendering and Execution**

With funding uncertain, states deferred tenders and slowed execution of sanctioned schemes. Order inflows for OPVC pipes contracted across the industry, and conversion cycles for government procurement lengthened.

- **Diversification of the Order Book**

The Company used the year to broaden its base beyond the Mission, securing inclusion in multiple state-level projects. This non-Jal Jeevan Mission business is expected to support a faster and more meaningful scale-up in volumes once Mission activity resumes.

Looking ahead, the Company enters FY27 with its investment programme delivered and demand indicators improving. Jal Jeevan Mission 2.0 has been approved with an FY27 allocation of ₹67,600 crore, and meaningful disbursements are expected from Q2 FY27. In the chlor alkali segment, stabilising realisations, efficiencies from the modernised facility and the commencement of hybrid power supply are expected to drive a marked improvement in profitability. On a consolidated basis, management expects FY27 to be a materially stronger year than the one gone by.

MANAGEMENT DISCUSSION AND ANALYSIS

Key Financial Ratios

| Ratios                                      | 2025-26 | 2024-25 | Variance % | Reason for Variance                                                                                 |
|---------------------------------------------|---------|---------|------------|-----------------------------------------------------------------------------------------------------|
| Current Ratio (in times)                    | 1.12    | 1.65    | -32%       | There is decrease in ratio due to increase in short term borrowings.                                |
| Debt-equity Ratio (in times)                | 0.33    | 0.22    | 51%        | There is an increase in debt equity ratio on account of increase in borrowings in the current year. |
| Debt Service Coverage Ratio (in times)      | 7.63    | 3.58    | 113%       | There is an improvement in the ratio due to reduction in repayment of loan during the year.         |
| Return on Equity Ratio (in %)               | -0.91%  | -1.81%  | -50%       | There is improvement in ratio due to decrease in losses during the year.                            |
| Inventory turnover ratio (in times)         | 11.72   | 15.48   | -24%       | There is decrease in ratio due to decrease in revenue from operations.                              |
| Trade Receivables turnover ratio (in times) | 13.87   | 15.93   | -13%       | No major variance.                                                                                  |
| Trade payables turnover ratio (in times)    | 8.94    | 9.77    | -9%        | No major variance.                                                                                  |
| Net capital turnover ratio (in times)       | 22.46   | 7.09    | 217%       | There is an increase in the ratio mainly due to increase in current liabilities.                    |
| Net profit ratio (in %)                     | -1.10%  | -2.08%  | -47%       | There is increase in ratio due to decrease in losses during the year.                               |
| Return on Capital employed (in %)           | 1.56%   | 1.05%   | 49%        | There is an increase in ratio due to increase in profitability.                                     |
| Return on investment (in %)                 | 1.59%   | 1.93%   | -18%       | Decreased due to lower realisation.                                                                 |

Risks and Concerns

The chlor alkali business operates in a global commodity environment where price cycles reflect international supply trends, input cost dynamics and trade flows. A material decline in global caustic soda prices, whether from oversupply or macroeconomic pressures, can directly affect segment profitability. Energy remains the largest element of the cost structure, and escalating power costs can compress margins when external pricing is weak. The commissioning of the new-generation electrolyser plant and the imminent hybrid power supply reduce both energy intensity and cost volatility, while the integrated model, captive salt fields upstream and aluminium chloride downstream, cushions raw material risk and secures internal chlorine offtake and value realisation.

Business diversification remains the structural response to commodity exposure, with the value-added OPVC pipes segment providing an earnings stream independent of chemical price cycles.

For the OPVC segment, FY26 demonstrated the principal risk: project execution is tied closely to government funding cycles, and delays in fund release, tendering or Cabinet-level approvals can defer demand even when capacity is in place. Investment ahead of demand realisation can leave capacity underutilised in such periods and weigh on operating efficiency.



The Company addresses these risks through phased expansion, prudent capital deployment and diversification of the order book across states and beyond flagship missions. Engagement with multiple state-level stakeholders supports order visibility, and financial discipline and operational flexibility allow the Company to absorb variability while staying positioned for the sector’s medium-term opportunity.

Internal Control Systems and Processes

The Company maintains a structured and comprehensive internal control framework appropriate to its scale of operations and complexity of activities. The systems are designed with adequate segregation of duties to provide reasonable assurance on the effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations.

Internal audits are conducted on a quarterly basis by qualified professionals, covering critical operational and financial processes across both business divisions and enabling timely identification and mitigation of risks. The Audit Committee of the Board, comprising Non-Executive Directors, oversees the internal control environment, monitors

audit findings and ensures appropriate remedial action.

Certifications under ISO 14001 for environmental management and ISO 45001 for occupational health and safety reflect adherence to global standards across operational areas, reinforced by Process Safety Management protocols and periodic external evaluation. The migration to SAP S/4 HANA has further strengthened system-driven controls, real-time visibility and enterprise-grade data integrity, and sustainability reporting reinforces the Company’s long-term commitment to responsible operations.

Disclaimer

The statements made in this Report on Management Discussion and Analysis, describing the Company’s views may be forward looking statements within the meaning of the applicable security regulations and laws. These statements are based on certain expectations on demand, imports, availability, and cost of power, etc. and any change in Government laws and the economic situation in the country would have its impact on the Company’s operations. The Company assumes no responsibility in respect of the forward-looking statements herein, which may undergo changes in the future for reasons beyond its control.

# Notice of the 17<sup>th</sup> Annual General Meeting

Notice is hereby given that the Seventeenth Annual General Meeting of the Company will be held on Wednesday, the 09<sup>th</sup> September 2026 at 10:00 AM (IST), through Video Conferencing ("VC") Other Audio-Visual Means ("OAVM") to transact the following business:

## ORDINARY BUSINESS

### 1. Adoption Of Financial Statements

To consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** the Audited Standalone and Consolidated Financial Statements of the Company i.e., Balance Sheet of the Company as at 31<sup>st</sup> March 2026 and the Statement of Profit and Loss A/c (incl. Comprehensive income), Statement of Cash Flow and Statement of Changes in Equity for the year ended on that date, together with the Reports of the Board of Directors ("the Board") and the Auditors thereon as presented to this Annual General Meeting, be and are hereby approved and adopted".

### 2. Retirement By Rotation

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

**"RESOLVED THAT** Mr. Suresh Krishnamurthi Rao (DIN: 00127809), Director, who retires by rotation and being eligible, offers himself for reappointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

### 3. Dividend

To consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** a Dividend at the rate of ₹ 1.25 per Equity Share (12.50%) be and is hereby declared, on the fully paid-up Equity Shares of ₹ 10/- each in the Paid-up Capital of the Company, to those Members whose names appear in the Register of Members of the Company as on the date of the Book Closure."

### 4. Appointment Of Statutory Auditors Of The Company

To consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 139, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder (including any amendment/modification thereof) and the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, if any, and upon recommendation of the Audit Committee and Board, M/s. M S K C & Associates LLP, Chartered

Accountants (Firm Registration No. 001595S/S000168), be and are hereby appointed as the Statutory Auditors of the Company for a term of 5 (five) years i.e. from the conclusion of this Annual General Meeting till the conclusion of 22<sup>nd</sup> Annual General Meeting of the Company, at such remuneration as may be approved by the Board of Directors of the Company from time to time."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company, be and are hereby authorized to revise, alter, modify and amend the terms and conditions and/or remuneration, from time to time, as may be mutually agreed with the Auditors, during the tenure of their appointment."

## SPECIAL BUSINESS

### 4. Ratification Of Cost Auditor's Remuneration

To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to Section 148 and read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment/modification thereof), the decision to pay a Remuneration of ₹ 1,90,000/- to M/s. Madhavan, Mohan & Associates (Firm Registration No. – 003483), the Cost Auditors of the Company for the Financial Year 2026 – 27, as recommended by the Audit Committee and as approved by the Board of Directors, be and is hereby ratified".

### 5. Payment Of Commission To Non-Executive Directors Of The Company

To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of sections 197, 198 of the Companies Act 2013 ("Act") and rules made thereunder, consent of the Shareholders be and is hereby accorded for payment of Commission to Directors, including the payment of Commission to Independent Directors and the reimbursement of expenses for participation in the Board and Board's Committees' Meetings, out of the net profits of the Company within the ceiling of 11% of the net profits of the Company as prescribed under Section 197 (1) and such other applicable provisions, if any, of the Companies Act, 2013".

**"RESOLVED FURTHER THAT** the commission be divisible among the Directors in such proportion as the Board of Directors may decide."

**"RESOLVED FURTHER THAT** pursuant to Regulation 17(6) (ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendment thereof the consent of the Shareholders be and is hereby accorded for the payment of commission to a single non-executive director, if it exceeds fifty per cent of the total annual remuneration payable to all non-executive directors of the Company for the Financial Year 2025-26."

**"RESOLVED FURTHER THAT** any Director or Chief Executive officer, Chief Financial officer or Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution."

By order of the Board of Directors  
For **Chemfab Alkalys Limited**

**Place:** Chennai  
**Date:** 29<sup>th</sup> July 2026

**Bharatraj Panchal**  
Company Secretary and Compliance Officer

# Notes:

1. The Ministry of Corporate Affairs ('MCA') inter alia, vide its General Circular no.14/2020 dated 8<sup>th</sup> April 2020, 17/2020 dated 13<sup>th</sup> April 2020, 20/2020 dated 5<sup>th</sup> May 2020, 02/2022 dated 5<sup>th</sup> May 2022 and subsequent circulars issued in this regard, the latest being General Circular No.03/2025 dated 22<sup>nd</sup> September 2025 (collectively referred to as 'MCA Circulars') and in line with the Circulars issued by the Securities and Exchange Board of India (SEBI) from time to time, permitted the holding of the Annual General Meeting ('AGM') through Video Conferencing (VC)/Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. Accordingly, in compliance with the said Circulars, the AGM of the Company is being held through VC/OAVM. Further, in terms of the Secretarial Standards on General Meetings (SS-2) issued by The Institute of Company Secretaries of India, the deemed venue of 17<sup>th</sup> (Seventeenth) AGM shall be the Registered Office of the Company situated at "TEAM House", GST Salai, Vandalur, Chennai – 600048.
2. In compliance with Sections 101 and 136 of the Companies Act, 2013 read with Circulars, the Annual Report for FY 2025-26, the Notice of the 17<sup>th</sup> AGM along with the Instructions for e-voting are being sent only through electronic mode to all the Members whose e-mail addresses are registered with the Company/respective Depository Participants. The Company will send a physical copy of the Annual Report 2025-26 to those Members, who request the same at [ccalcosecy@ccal.in](mailto:ccalcosecy@ccal.in) mentioning their Folio No. / DP ID and Client ID. Further, a letter is being sent to the shareholders whose email addresses are not registered with the Company/DP, providing a web-link for accessing the Annual Report 2025-26.
3. The Members may also note that the Notice, along with the Annual Report for the Financial Year 2025-26, has been uploaded on the website of the Company at <https://chemfabalkalis.com/investors/>. The Notice can also be accessed from the websites of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively, and the AGM Notice is also available on the website of Central Depository Services (India) Limited ("CDSL") (agency for providing the Remote e-voting facility) i.e. <https://www.evotingindia.com>.
4. Institutional Investors and Corporate Members are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and vote on their behalf. Institutional/Corporate Shareholders (i.e., other than individuals/HUF, NRI, etc.) are required to send a scanned, certified copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc. to e-mail [ccalcosecy@ccal.in](mailto:ccalcosecy@ccal.in) authorizing their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutiniser by e-mail through its registered e-mail id [ccalcosecy@ccal.in](mailto:ccalcosecy@ccal.in) and may also upload the same at [evoting@cdslindia.com](mailto:evoting@cdslindia.com). Institutional shareholders/Corporate shareholders can also upload their Board Resolution/Power of Attorney/Authority Letter, etc., by clicking on "Upload Board Resolution/Authority Letter" displayed under the "e-voting" tab in their login.
5. The facility to appoint a proxy to attend and cast vote for the members is not available for this AGM. In the case of joint holders attending the Meeting, only such joint holder who is higher in the order of names in the Register of Members will be entitled to vote.
6. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business set out in the Notice is annexed hereto.
7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
8. Pursuant to the provisions of Section 107 and 108, read with the Companies (Management and Administration) Rules, 2014, and as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide its circulars and in terms of Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") the Company is providing the option of remote E-Voting facility to all the Members of the Company. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL). The Members can vote electronically through E-voting either during the Remote E-voting period or at the AGM.
9. The details as required under Regulation 36(3) of the Listing Regulations and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, in respect of brief resume of Directors proposed to be reappointed, nature of their expertise in specific functional areas, names of listed companies in which they hold directorships and the Memberships of Board Committees, shareholding and relationships between directors inter-se, are provided in the Annexure to the explanatory statement attached to this Notice.
10. Members are requested to update with respect to change pertaining to name, postal address,

email address, telephone/mobile number, PAN, choice of nominations, power of attorney, bank details, bank account, MICR code, IFSC code etc., to receive the dividend directly into their bank account on the payout date, in the following manner:

- a) **For shares held in electronic form:** Members may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change/addition/deletion in such bank details. Accordingly, the Members holding shares in Demat form are requested to update their Electronic Bank Mandate with their respective DPs before the record date i.e before 02.09.2026.
  - b) **For shares held in physical form:** Members holding shares in physical form are requested to update their KYC details immediately to the Company/Registrars and Transfer Agents (RTA), M/s. Cameo Corporate Services Limited before the record date i.e before 02.09.2026.
11. Dematerialisation of Shares:
- a) SEBI has mandated the listed companies to process service requests for issue of securities in dematerialized form only, subject to folio being KYC compliant. Accordingly, Members are requested to submit duly filled and signed Form ISR-4.
  - b) Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company/RTA, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
  - c) SEBI vide its circular dated February 6<sup>th</sup>, 2026 has dispensed with the requirement of issuance of a Letter of Confirmation (LOC) by the Company/RTA while processing
- service request for Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition effective 2<sup>nd</sup> April 2026. Accordingly, securities will be credited directly to the shareholder's demat account upon submission of valid demat account details, along with the latest Client Master List.
12. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the RTA's website [https://cambridge.cameoindia.com/module/Downloadable\\_Formats.aspx](https://cambridge.cameoindia.com/module/Downloadable_Formats.aspx). Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to Company/RTA in case the shares are held in physical form quoting your folio number.
  13. 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 and all the information/documents mentioned in this notice shall be available for inspection through electronic mode.
  14. For the prescribed TDS rates for various categories, please refer to the Income Tax Act, 2025 and the Finance Acts of the respective years. The shareholders are requested to update their PAN with the DPs (if shares held in dematerialised form) and the Company/RTA (if shares held in physical form).

To avail exemption of TDS for Financial Year 2025-26, Members are requested to submit the tax exemption documents, as listed below, electronically:

| Category of Shareholder                                                                                                                                                   | Document(s) to be submitted/uploaded                                                                                                                                                                                                                                                                 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Resident individual shareholders with PAN* and whose income does not exceed maximum amount not chargeable to tax or who is not liable to pay income tax                   | • Form 121 (erstwhile Form 15G or Form 15H)                                                                                                                                                                                                                                                          |
| Non-resident shareholders [including Foreign Portfolio Investors (FPIs)] who can avail beneficial rates under tax treaty between India and their country of tax residence | <ul style="list-style-type: none"> <li>• No Permanent Establishment Declaration</li> <li>• Beneficial Ownership Declaration</li> <li>• Tax Residency Certificate</li> <li>• Copy of electronically filed Form 41 (erstwhile Form 10F)</li> <li>• Any other document which may be required</li> </ul> |

\*If PAN is incorrect/invalid/inoperative/not linked to Aadhar then tax will be deducted at higher rates and credit of TDS may not be available. [Section 397 of the Income Tax Act, 2025].

For this purpose, the shareholder may submit the above documents (PDF/JPG Format) by e-mail to [ccalcosecy@ccal.in](mailto:ccalcosecy@ccal.in).

The aforesaid declarations and documents need to be submitted by the shareholders by 02-09-2026.

- The members of the Company, whose names appear in the Register of Members/List of Beneficial Owners as on Wednesday 02-09-2026 ("Cut-off date") and who are otherwise not barred to cast their vote, are entitled to vote electronically either through remote e-voting or e-voting during AGM, on the Resolutions set forth in this Notice of the AGM. A person who is not a member on the Cut-off date should treat this notice for information purpose only.
- The register of members and transfer books of the Company will remain closed from Thursday 03-09-2026 to Wednesday 09-09-2026 both days inclusive, and the members whose name appear in the register of members as on Wednesday 02-09-2026 (Record Date) shall be entitled for the payment of dividend.
- Under section 124 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to unpaid dividend account of the Company shall be transferred to the Investor Education and Protection Fund (IEPF) set up by the Government of India. Accordingly, unclaimed dividend amounts up to final dividend 2018-2019 have been transferred to the said fund. The shareholders are advised to forward all un encashed dividend warrants from interim dividend 2018-2019 to the registered office of the Company for revalidation and encash the same before the respective due date of transfer to IEPF.
- The shareholders are requested to claim the unpaid dividend amount(s) immediately, failing which their shares shall be transferred to the demat account of the IEPF Authority as per Section 124 of the Act, read with applicable IEPF rules

as amended from time to time. The Members/claimants whose shares, unclaimed dividend, sale proceeds of fractional shares etc. have been transferred to IEPF may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF 5 (available on [www.mcagov.in](http://www.mcagov.in)) along with requisite fee as decided by it from time to time. The Member/claimant can file only one consolidated claim in a Financial Year as per the IEPF Rules.

## CDSL E-VOTING SYSTEM – FOR E-VOTING AND JOINING VIRTUAL MEETINGS

- Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 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 agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship

Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

3. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
4. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at [www.chemfabalkalis.com](http://www.chemfabalkalis.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).

### THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

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

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

- (i) The voting period begins on Saturday, 05<sup>th</sup> September, 2026 at 9:00 A.M (IST) and ends on Tuesday 08<sup>th</sup> September, 2026 at 5:00 PM (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Wednesday 02.09.2026 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

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.

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

- (iv) 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 shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

| Type of shareholders                                                                 | Login Method                                                                                                                                                                                                                                                                                                                                                                               |
|--------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b> | 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 cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon & My Easi New (Token) Tab. |

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below: (Contd.)

| Type of shareholders                                                                                               | Login Method                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|--------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                    | <p>2) After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting 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 &amp; 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.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; My Easi New (Token) Tab and then click on registration option.</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>                               | <p>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: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> 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 or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/either">https://www.evoting.nsdl.com/either</a> 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 or joining virtual meeting &amp; voting during the meeting.</p> <p>4) For OTP based login you can click on <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a>. You will have to enter your 8-digit DP ID, 8-digit Client ID, PAN No., 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 &amp; voting during the meeting.</p> |
| Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b> | <p>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 &amp; voting during the meeting.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

**Important Note:** Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

| Login type                                                                | Helpdesk details                                                                                                                                                                                                           |
|---------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in Demat mode with <b>CDSL</b> | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09911 |
| Individual Shareholders holding securities in Demat mode with <b>NSDL</b> | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at: 022 - 4886 7000 and 022 - 2499 7000                       |

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

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID:
  - a. **For CDSL:** 16 digits beneficiary ID,
  - b. **For NSDL:** 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

| For Physical shareholders and other than individual shareholders holding shares in Demat. |                                                                                                                                                                                                                                                                                                                                                                                     |
|-------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| PAN                                                                                       | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).</p> <ul style="list-style-type: none"> <li>Shareholders 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.</li> </ul> |
| Dividend Bank Details<br><b>OR</b> Date of Birth (DOB)                                    | <p>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.</p> <ul style="list-style-type: none"> <li>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.</li> </ul>                    |

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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 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.

- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- (ix) Click on the EVSN for the relevant <Chemfab Alkalies Limited> on which you choose to vote.
- (x) 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.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) 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.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non-Individual Shareholders and Custodians – For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://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](mailto: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 shareholders 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; [ccalcosecy@ccalin](mailto:ccalcosecy@ccalin) (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

### INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops/iPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [ccalcosecy@ccalin](mailto:ccalcosecy@ccalin). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **seven days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [ccalcosecy@ccalin](mailto:ccalcosecy@ccalin). These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted 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.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

### PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. **For Physical shareholders:** please provide necessary details like Folio No., Name of shareholder, 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 shareholders:** Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. **For Individual Demat shareholders:** 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 CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 21 09911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, AVP, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 21 09911.

### General Instructions:

- i) The Company has appointed Mr. S.A Inbavativu, Advocate, as the Scrutinizer to scrutinize the e-Voting process of the 17<sup>th</sup> Annual General Meeting in a fair and transparent manner.
- ii) The Scrutinizer shall after the conclusion of voting at the annual general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, within 2 working days of conclusion of the meeting a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith. The resolutions will be deemed have been passed on the AGM date subject to receipt of the requisite number or votes in favour of the resolutions.
- iii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.chemfabalkalis.com](http://www.chemfabalkalis.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) immediately. The Company shall simultaneously forward the results to BSE & NSE Limited, where the shares of the Company are listed. The results shall also be displayed on the notice board at the Registered Office of the Company.

In terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard 2 on General Meetings, a brief resume of the Directors proposed to be re-appointed in the forthcoming Annual General Meeting, nature of expertise in specific functional areas, disclosure of relationships between directors inter-se, other Directorships, Committee memberships, shareholdings in the Company are given below:

### Item No: 3

The details of Mr. Suresh Krishnamurthi Rao as required under Secretarial Standard - 2 and Regulation 36 of the SEBI Listing Regulations, as applicable, are provided below. Save and except Mr. Suresh Krishnamurthi Rao and his relatives, None of the Directors or Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

This Statement may be regarded as disclosures under Secretarial Standard – 2 and Regulation 36 of the SEBI Listing Regulations, as and when applicable.

| <b>Name of the Director</b>                                                                                 | <b>Mr. Suresh Krishnamurthi Rao</b>                           |
|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|
| Director Identification Number                                                                              | 00127809                                                      |
| Nationality                                                                                                 | Indian                                                        |
| Date of Birth                                                                                               | 26 <sup>th</sup> September, 1971                              |
| Age                                                                                                         | 54                                                            |
| Expertise in Specific Function areas                                                                        | Management                                                    |
| Date of First appointment to the Board                                                                      | 06 <sup>th</sup> May, 2009                                    |
| Number of Board meeting attended during the Financial Year 2025-26                                          | Six                                                           |
| Names of listed entities in which the person holds the directorship                                         | Chemfab Alkalies Limited                                      |
| Membership in the Committees of the board in which he holds directorship                                    | Stakeholder's Relationship Committee                          |
| Listed entities from which the person has resigned in the past three years                                  | Nil                                                           |
| Relationship with other Directors                                                                           | Not Applicable                                                |
| Terms and Condition of Re – Appointment                                                                     | Non-Independent & Non-Executive Director                      |
| Shareholding in the Company as on 31 <sup>st</sup> March, 2026 including shareholding as a beneficial owner | Direct holding: 9.91% Shareholding as a beneficial owner: 24% |

## **EXPLANATORY STATEMENT RELATING TO THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

### **Item No: 4 Ratification Of Cost Auditor's Remuneration**

At the Board Meeting held on 13<sup>th</sup> May 2026, after considering the recommendation of the Audit Committee, the Directors appointed M/s. Madhavan, Mohan & Associates, Cost Accountant, as the Cost Auditor of the Company for carrying out the Cost Audit of the Company for the Financial Year 2026-2027 on the remuneration of ₹ 1,90,000/- (Rupees One Lakhs Ninety Thousand Only) including the reimbursement of the out-of-pocket expenses. Further, in compliance to Section 148 read with the Companies (Audit and Auditors) Rules, 2014, the aforesaid remuneration approved by the Board of Directors is required to be ratified by the Shareholders.

Accordingly, the Board commends passing of said resolution as set out in Item No. 4 of the Notice for approval of the members as Ordinary Resolution.

None of the Directors or the Key Managerial Personnel and their relatives are interested or concerned in the passing of the Resolution.

### **Item No: 5 Payment Of Commission To Non-Executive Directors Of The Company**

The Non-Executive Directors play a vital role in shaping the Company's business strategy while strengthening its financial oversight and corporate governance framework. Their extensive expertise, diverse experience, and independent perspectives contribute significantly to effective decision-making, robust governance, and enhanced organizational performance. Their guidance is instrumental in fostering the Company's long-term sustainability and driving sustainable growth.

During the year, the Company has conducted the performance evaluation and benchmarking the commission payable to Non-Executives Directors. The evaluation was done on the basis of overall performance, Directors individual assessment and with the recommendation of the members of the Nomination and Remuneration Committee and Board of Directors at their meeting held on 13<sup>th</sup> May 2026, recommended the proposal to the members of the Company for payment of Commission to a Single Non-executive Director for the financial year 2025-26,

if it exceeds fifty per cent of the total annual remuneration payable to all non-executive directors, subject to overall limit calculated in accordance with the provisions of the Companies Act, 2013 and the rules framed thereunder. The payment of such commission shall be in addition to the sitting fees for attending the Board and Committee meeting.

The Board commends the passing of the resolution as set out in Item No. 5 of the Notice for the approval of the members as a Special Resolution.

Expect the Key Managerial Personnel of the Company and their relatives, all the Non-executive Directors along with their relatives are deemed to be concerned or interested, financially or otherwise, in the resolution set out in Item No. 5 of the accompanying Notice.

By Order Of The Board of Directors  
For **CHEMFAB ALKALIS LIMITED**

**Place:** Chennai  
**Date:** 29<sup>th</sup> July 2026

**BHARATRAJ PANCHAL**  
Company Secretary and Compliance Officer

# Board of Directors' Report

Dear Shareholders,

Your Directors have the pleasure of presenting the 17<sup>th</sup> Annual Report of Chemfab Alkalies Limited along with the Audited Standalone and consolidated financial statements for the Financial Year Ended 31<sup>st</sup> March 2026.

The summarized financial results are as under:

## FINANCIAL SUMMARY

| Particulars                                   | (₹ In Lakhs)                |                             |                             |                             |
|-----------------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|                                               | Consolidated                |                             | Standalone                  |                             |
|                                               | Year ended<br>31 March 2026 | Year ended<br>31 March 2025 | Year ended<br>31 March 2026 | Year ended<br>31 March 2025 |
| <b>Summary of Profit and Loss Statement:</b>  |                             |                             |                             |                             |
| Total Revenue                                 | 31,102.27                   | 33,437.43                   | 28,856.60                   | 32,209.05                   |
| Profit before Finance Cost and Depreciation   | 3,590.64                    | 5,083.86                    | 4,268.65                    | 5,913.59                    |
| <b>Less:</b> Finance Cost                     | 768.69                      | 492.50                      | 754.01                      | 491.58                      |
| Profit before Depreciation                    | 2,821.95                    | 4,591.36                    | 3,514.64                    | 5,422.01                    |
| <b>Less:</b> Depreciation and amortization    | 2,841.95                    | 3,633.13                    | 2,442.46                    | 3,238.79                    |
| Profit Before Exceptional Items               | (20.00)                     | 958.23                      | 1,072.18                    | 2,183.22                    |
| Exceptional Items                             | -                           | (988.77)                    | -                           | -                           |
| Profit before Tax                             | (20.00)                     | (30.54)                     | 1,072.18                    | 2,183.22                    |
| <b>Less:</b> Tax including Deferred Tax       | 322.65                      | 663.49                      | 321.59                      | 660.80                      |
| Profit/(Loss) after Tax                       | (342.65)                    | (694.03)                    | 750.59                      | 1,522.42                    |
| Other Comprehensive Income/(Loss)             | 59.08                       | 38.43                       | 59.08                       | 38.43                       |
| Total Comprehensive Income/(Loss)             | (283.57)                    | (655.60)                    | 809.67                      | 1,560.85                    |
| <b>Summary of Retained Earnings Movement:</b> |                             |                             |                             |                             |
| Balance brought forward from last year        | 319.18                      | 1,150.48                    | 3,098.13                    | 1,712.98                    |
| <b>Add:</b> Profit/(Loss) after Tax           | (342.65)                    | (694.03)                    | 750.59                      | 1,522.42                    |
| <b>Add:</b> ESOP option lapsed                | 15.05                       | -                           | 15.05                       | -                           |
| <b>Add:</b> Other Comprehensive Income        | 61.10                       | 41.19                       | 61.10                       | 41.19                       |
| <b>Less:</b> Appropriations                   | -                           | -                           | -                           | -                           |
| Final Dividend                                | (179.55)                    | (178.46)                    | (179.55)                    | (178.46)                    |
| Tax on Dividend                               | -                           | -                           | -                           | -                           |
| Balance Carried to Balance Sheet              | (126.87)                    | 319.18                      | 3,745.32                    | 3,098.13                    |

### Performance And State Of Affairs Of The Company

The overall performance and more details are covered under the Management section, which forms part of the Annual Report.

### Change In Nature Of Business

During the year under review, there is no change in nature of business of your Company.

### Change In The Registered Office Of The Company

There was no change in the registered office of the company during the financial year 2025-2026.

### Capital Structure

During the year under consideration, there is no change in authorized share capital. However, the paid-up share capital was increased due to allotment

of equity shares under Company's employee stock option scheme "CAESOS 2020". As on 31<sup>st</sup> March 2026, the authorised and paid - up capital stands as stated below:

The Authorized Share Capital of the Company is ₹ 39,14,00,000 (Thirty-Nine Crores Fourteen Lakhs Only) divided into divided into 2,85,00,000 (Two Crore eighty-five lakhs) Equity Shares of ₹ 10/- (Rupees Ten Only) each amounting to ₹ 28,50,00,000/- (Rupees Twenty-Eight Crores Fifty Lakhs) and 2,64,000 (Two Lakhs Sixty-Four Thousand)-11% Redeemable Cumulative Preference Shares of 100/- (Rupees Hundred only) each amounting to ₹ 2,64,00,000/- (Rupees Two Crore Sixty-Four Lakhs) and 8,00,000 (Eight Lakhs) - 12% Redeemable Preference Shares of ₹ 100/- each amounting to ₹ 8,00,00,000/- (Rupees Eight Crore).

The Paid-up Share capital of the Company stands at ₹ 14,37,37,020 (Fourteen Crore Thirty Seven Lakh Thirty Seven Thousand Twenty Only) divided into 1,43,73,702 (One Crore Forty Three Lakh Seventy Three Thousand Seven Hundred Two Only) Equity Shares of ₹ 10/- each.

### Dividend

Your directors recommended the payment of Dividend of ₹ 1.25/- per share for the year ended March 31, 2026, absorbing a sum of ₹ 179.67 Lakhs considering shares outstanding as on 31 March 2026, subject to the approval of the Members at the ensuing Annual General Meeting.

### Transfer Of Profit To Reserves

The Company has not proposed transferring any of its profits to reserves.

### Material Changes During The Reporting Period

No material changes have occurred, or any commitments made between the financial year ended 31<sup>st</sup> March 2026 and the date of this report, which would adversely affect the financial position of the company.

## BOARD OF DIRECTORS AND ITS COMMITTEES

### A. Composition of the Board of Directors

The Board of Directors of the Company comprises seven Non-Executive Directors, including four Independent Directors and a Non-Executive Chairperson who is a promoter of the Company. The Company has two women Independent Directors. The composition of the Board of Directors is in compliance with Regulation 17(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Section 149 of the Companies Act, 2013.

The Company has received necessary declarations from the Independent Directors under section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as specified in Section 149(6) of the Companies Act, 2013 and as per the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

The Independent Directors are registered with the data bank as per rule 6 of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019. The Registration details are as below:

| Sl. No. | Name of the Director      | Registration number   |
|---------|---------------------------|-----------------------|
| 01.     | Mr. A. Janakiraman        | IDDB-DI-202002-007989 |
| 02.     | Mrs. J. Sujatha Jayarajan | IDDB-DI-201912-001692 |
| 03      | Mrs. R. Drushti Desai     | IDDB-DI-202002-015500 |
| 04.     | Mr. Satish Narain Jajoo   | IDDB-DI-202110-039184 |

### Board Composition:

The Board is well balanced with the composition of three Non-Independent Directors and Four Independent Directors (including two Women Independent directors) as on 31<sup>st</sup> March 2026.

| Category                    | Name of Directors                                                    |
|-----------------------------|----------------------------------------------------------------------|
| Non – Independent Directors | Mr. Suresh Krishnamurthi Rao                                         |
|                             | Mr. C.S. Ramesh – Resigned w.e.f 31 <sup>st</sup> July 2025          |
|                             | Mr. R. Mahendran                                                     |
|                             | Mr. Nitin S. Cowlagi                                                 |
| Independent Directors       | Mr. A. Janakiraman                                                   |
|                             | Mrs. Drushti Desai                                                   |
|                             | Mrs. Sujatha Jayarajan                                               |
|                             | Mr. Satish Narain Jajoo – Appointed w.e.f. 30 <sup>th</sup> May 2025 |

Thus, the composition of the Board is in line with the terms of Section 149 of the Companies Act 2013 and Regulations 17(1)(b) of the SEBI (LODR) Regulations, 2015.

## B. Meetings

The number of Board Meetings held during the year along with the dates of the meetings:

(Disclosure pursuant to 134 (3)(b) of the Companies Act, 2013).

During the Financial Year 2025-2026, the Board of Chemfab Alkalies Limited met Six times as under:

| Sl. No. | Date of Board meetings        | Quarter | No. of Directors as on the date of Meeting | Total No. of Directors attended |
|---------|-------------------------------|---------|--------------------------------------------|---------------------------------|
| 1.      | 14 <sup>th</sup> May 2025     | First   | 7                                          | 7                               |
| 2.      | 30 <sup>th</sup> May 2025     | First   | 8                                          | 4                               |
| 3.      | 16 <sup>th</sup> July 2025    | Second  | 8                                          | 7                               |
| 4.      | 31 <sup>st</sup> July 2025    | Second  | 8                                          | 6                               |
| 5.      | 31 <sup>st</sup> October 2025 | Third   | 7                                          | 7                               |
| 6.      | 28 <sup>th</sup> January 2026 | Fourth  | 7                                          | 6                               |

The meetings of the Board were held periodically, with an interval of not more than one hundred and twenty days between two consecutive meetings, as prescribed under Section 173(1) of the Act.

## C. Re-appointment of Directors Retiring by Rotation

In terms of Section 152 of the Companies Act, 2013, Mr. Suresh Krishnamurthi Rao (DIN: 00127809) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee has recommended the re-appointment of Mr. Suresh Krishnamurthi Rao (DIN: 00127809) retiring by rotation.

## D. Committees of the Board

The constitution and terms of reference of the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee are also aligned with the requirements of Regulations 18 to 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013. Further the Company has constituted Risk Management Committee though it is not mandated for your company under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A detailed note on the Committees is given in the Corporate Governance Report forming part of the Annual Report.

## E. Performance Evaluation

Section 134 of the Companies Act, 2013 states that formal evaluation needs to be made by the Board, of its performance and that of its committees and the individual Directors. Schedule IV of the Companies Act, 2013 and regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 state that the performance evaluation of each Independent

Director shall be done by the entire Board of Directors excluding the Director being evaluated.

Pursuant to the provisions of section 134 (3) (p) of the Companies Act, 2013 and SEBI (LODR) regulations, 2015, the Board has carried out an evaluation of its performance, the Directors individually as well as its Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report forming part of the Annual Report.

## F. Directors' Responsibility Statement

As required under Section 134(5) of the Companies Act, 2013, the Board of Directors hereby confirms, that:

- In the preparation of the Annual Accounts for the financial year ended 31<sup>st</sup> March 2026, the applicable Accounting Standards and Schedule III of the Act have been followed and there are no material departures.
- They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the financial year 2025-2026.
- They 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.
- They have prepared the annual accounts on a going-concern basis.
- They have laid down proper internal financial controls to be followed by the Company and such internal financial controls are adequate and are operating effectively; and

- (f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### G. Changes in Directors and Key Managerial Personnel

During the year under review, Mr. C. S. Ramesh resigned from the office of Director with effect from 31<sup>st</sup> July 2025 and Mr. Satish Narain Jajoo was appointed as an Additional Independent Director by the Board with effect from 30<sup>th</sup> May 2025 and was subsequently appointed as an Independent Director with the approval of the members at the ensuing Annual General Meeting held on 12<sup>th</sup> September 2025 for a term of five consecutive years starting from 30<sup>th</sup> May 2025 to 29<sup>th</sup> May 2030.

Further, Mr. B. Vignesh Ram resigned from the position of Company Secretary and Compliance Officer w.e.f. 18<sup>th</sup> April, 2025 and Mr. Bharatraj Panchal has been appointed as Company Secretary and Compliance Officer w.e.f. 16<sup>th</sup> July, 2025.

### H. Changes in Subsidiaries, Joint Ventures, and Associates

During the year under review, your company has incorporated a Wholly owned subsidiary company named **CHEMFAB HIITECH PIPING LIMITED** (CIN: U22191TN2025PLC186167) on 28<sup>th</sup> October, 2025. The Company was incorporated with an objective of manufacturing, buying, selling, importing and exporting high quality OPVC (Oriented Polyvinyl Chloride) pipes of all sizes and varieties and fittings used in agricultural, engineering, electrical and mechanical industries and allied business activities.

Further, Your Company has another Wholly-owned subsidiary namely '**CHEMFAB KARAIKAL LIMITED**' (Formerly known as "**CHEMFAB ALKALIS KARAIKAL LIMITED**") which is a "material subsidiary" pursuant SEBI (LODR) Regulation 2015. During the year under review, your Company has changed the name of this wholly-owned subsidiary from "**CHEMFAB ALKALIS KARAIKAL LIMITED**" to "**CHEMFAB KARAIKAL LIMITED**" with effect from 3<sup>rd</sup> December, 2025.

Other than this, there were no changes in the Subsidiaries, Joint ventures, and Associates during the Financial Year 2025-2026.

The salient feature on financial statements or performance of subsidiaries is given in **Annexure A** of this report.

### I. Significant or Material Orders Passed by Regulators/Courts

There were no significant or material orders passed by any regulator/court during the reporting period.

### J. Declaration by Independent Directors

The Company has received necessary declarations from Mr. A. Janakiraman, Mrs. Sujatha Jayarajan, Mrs. Drushti Desai and Mr. Satish Narain Jajoo independent directors, under Section 149 (7) of the Companies Act 2013, that they meet the criteria of independence laid down in Section 149(6) of the Companies Act 2013 and regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and their Declarations have been taken on record.

### K. Independent Directors' Meeting

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Regulation 25 of the SEBI Listing Regulations, a meeting of the Independent Directors of the Company was held on March 10, 2026 without the presence of Non-Independent Directors and Company's Management.

The Company Secretary was an invitee to the said meeting and acted as a facilitator to the Independent Directors.

### L. Details in respect of Frauds

The Company's auditors' report does not have any statement on suspected fraud in the company's operations to explain as per Sec. 134(3) (ca) of the Companies Act 2013.

### M. Fixed Deposits

During the year under review, the Company did not raise funds, by way of fixed deposits, from the public.

### N. Details of contracts or arrangements with related parties

The details of contracts or arrangements entered into with related parties along with justification for entering into such contract or arrangement, referred to in sub-section (1) of section 188 in the prescribed form no. AOC 2 is given in **Annexure B** of this report.

### O. Code of Conduct for prevention of Insider Trading

The Company has a policy viz., "Code of Conduct for prevention of Insider Trading" and the same has been posted on its website [www.chemfabalkalis.com](http://www.chemfabalkalis.com). The Company also monitors insider trading activities through Structured Digital Database (SDD) software in accordance with the applicable SEBI regulations.

### P. Development and implementation of a Risk Management Policy

The main objective of Risk Management is risk reduction and avoidance, as also identification of the risks faced by the business and optimizing the risk management strategies. The Company has put in place a well-

defined Risk Management framework. The Company has constituted a Risk Management Committee even though the constitution of the same does NOT apply to the Company since it is mandatory only for the top 1000 listed Companies as per the listing regulations. The Risk Management Committee assists the Board in drawing up, implementing, monitoring, and reviewing the Risk Management Plan. The Committee lays down the Risk Assessment and Minimization Procedures and it reviews the Procedures periodically to ensure that the Executive Management controls the risks through a properly defined framework.

The Company has also obtained certification for ISO 14001 and ISO 45001 systems to take care of critical operational areas. The Company has also implemented Process Safety Management (PSM). We are the first company in our industry to implement the same.

We are continuing with the publishing of a sustainability report, enhancing our commitment to sustainable development.

## Q. Technology absorption, Conservation of energy and Research and development

The detailed note on the technical absorption and conversation of energy and research and development and Foreign Exchange earning and Outgo is annexed herewith as **Annexure C**.

## R. Cost Records

Your Company is maintaining cost records and reports pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

## AUDIT RELATED MATTERS

### A. Statutory Auditors

M/s. Deloitte Haskins & Sells LLP (Firm Registration No 117366W/W-100018) were re-appointed as Statutory Auditors of the Company for a term of 4 (four) years, to hold office from the conclusion of the 13<sup>th</sup> Annual General Meeting held on 15<sup>th</sup> September 2022 till the conclusion of the 17<sup>th</sup> Annual General Meeting on such professional fees as may be fixed by the Board of Directors as recommended by the Audit Committee in consultation with them.

There are no qualifications or adverse remarks in the Statutory Audit Report which require any explanation from the Board of Directors.

### B. Cost Auditor

As per Sec. 148 (6) of Companies Act, 2013 and rule 6(6) of the Companies (Cost Records and Audit) Rules, 2014, the applicability of Cost audit is based on the overall annual turnover of the company, from all its products and services during the immediately preceding financial year, being rupees one hundred crores or more. Under Rule 3 of the same Regulations, the maintenance of cost records applies to companies

whose aggregate turnover of the individual product or products, or service or services is Rupees thirty-five crores or more.

In conformity with the said provisions of the Companies Act, 2013, the Company has appointed M/s. Madhavan, Mohan & Associates, Cost Auditors, as the Cost Auditor, for the audit of cost accounts for your Company for the year ending 31<sup>st</sup> March 2026. The remuneration to be paid to him is being ratified at this Annual General meeting.

There are no qualifications or adverse remarks in the Cost Audit Report which require any explanation from the Board of Directors.

## C. Secretarial Audit Report

Pursuant to Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/s. M Damodaran & Associates LLP, Practicing Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit Report in Form No.MR.3 for the financial year 2025-2026, is annexed herewith, as **Annexure – F**. Further, Pursuant to SEBI (LODR) Regulations, 2015, Copy of the Secretarial Audit Report of Material Subsidiary '**CHEMFAB KARAIKAL LIMITED**' (Formerly known as "**CHEMFAB ALKALIS KARAIKAL LIMITED**") is annexed herewith as **Annexure-F-1**.

A Certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed herewith, as **Annexure – G**.

During the financial year ended 31<sup>st</sup> March, 2026, the following observations were submitted from the Secretarial Auditor of the Company that needs the response of the Board.

- As per Regulation 17(1) (b) of SEBI LODR, where the regular non-executive chairperson is a promoter of the listed entity, at least half of the board of directors of the listed entity shall consist of independent directors.

"During the period from April 01, 2025 to May 29, 2025, the listed entity had 3 independent directors out of total 7 directors."

**Response from the Board of Directors:** The listed entity has complied with said regulation 17(1) (b) of SEBI LODR by appointing one more independent director in the Board w.e.f May 30, 2025.

The Company has paid fine for the above amounting to ₹ 4,20,080 (including GST) each as imposed by NSE and BSE.

- As per Regulation 17(1C) (a) of SEBI LODR, the listed entity shall ensure that approval of shareholders

for appointment or reappointment of a person on the board of directors or as a manager is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier.

There was 12 days delay in obtaining approval of shareholders for appointment of Mr. Satish Narain Jajoo (DIN: 07524333) as an Non-Executive-Independent Director. In this regard, NSE sought clarification for Corporate Governance Report for the quarter ended September 2025.

**Response from the Board of Directors:** The listed entity has submitted its response to the clarification and data requested by NSE during the period under review which was duly accepted with no further clarification or action required by NSE till date.

## D. Internal Financial Controls

Your Company has well-defined and adequate internal controls and procedures, commensurate with its size and the nature of its operations. This is further strengthened by the Internal Audit done concurrently. During the year, the Company got its internal controls over financial reporting and risk management process evaluated by independent consultants.

Besides, the Company has an Audit Committee, comprising of Non-Executive Directors, which monitors systems, controls, financial management, and operations of the Company.

The Audit Committee has evaluated the internal financial controls and risk management system at its meeting held on the following dates:

| Sl. No. | Date of Meeting               |
|---------|-------------------------------|
| 1.      | 14 <sup>th</sup> May 2025     |
| 2.      | 31 <sup>st</sup> July 2025    |
| 3.      | 31 <sup>st</sup> October 2025 |
| 4.      | 28 <sup>th</sup> January 2026 |

## E. Internal Auditor

The Board appointed M/s. Brahmayya & Co., Chartered Accountants, as an internal auditor for the Financial Year 2025-2026 based on the recommendations of the Audit Committee.

## BOARD COMMITTEE COMPOSITION

The Board has constituted the following committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, and Risk Management Committee.

### A. Audit Committee

Pursuant to regulation 18 of SEBI (LODR) Regulations 2015 and the provision of Section 177(8) read with Rule 6 of the Companies (Meeting of Board and its Powers)

Rules 2014, the Company has duly constituted a qualified and independent Audit Committee. The Audit Committee of the Board consists of four "Independent Directors" and One "Non – Independent Director" as members having adequate financial and accounting knowledge. The composition, procedures, powers, and role/functions of the audit committee and its terms of reference are set out in the Corporate Governance Report forming part of the Boards Report.

During the period under review, the suggestions put forth by the Audit Committee were duly considered and accepted by the Board of Directors. There were no instances of non-acceptance of such recommendations.

The Audit Committee acts in accordance with the terms of reference specified by the Board of Directors in terms of Section 177(4) of the Act and in terms of Regulation 18 of the SEBI (LODR) Regulations, 2015. It also oversees the vigil mechanism and is obliged to take suitable action against the Directors or employees concerned, when necessary.

A detailed note on the Audit Committee is given in the Corporate Governance Report forming part of the Annual Report.

### B. Nomination and Remuneration Committee

According to Section 178 of the Companies Act, 2013 and in terms of Regulation 19 of SEBI (LODR) Regulations, 2015, the Company has set up a Nomination and Remuneration Committee which has formulated the criteria for determining the qualifications, positive attributes, and independence of a Director and ensures that:

- 1) The level and composition of remuneration are reasonable and sufficient to attract, retain and motivate Directors having the quality required to run the Company successfully.
- 2) The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- 3) Remuneration to Directors, key managerial personnel, and senior management involves a balance between fixed and variable pay, reflecting short-term and long-term performance, objectives appropriate to the working of the Company and its goals.

The Nomination and Remuneration Policy of your Company is set out and available on your company website [www.chemfabalkalis.com](http://www.chemfabalkalis.com). A detailed note on the Nomination and Remuneration Committee is given in the Corporate Governance Report forming part of the Annual Report.

### C. Stakeholders' Relationship Committee

A detailed note on the Stake Holders' Relationship Committee is given in the Corporate Governance Report forming part of the Annual Report.

### D. Risk Management Committee

The Company has constituted a Risk Management Committee even though the constitution of Risk Management Committee does NOT apply to the Company since it is mandatory only for the top 1000 listed Companies as per the listing regulations. The Risk Management Committee assists the Board in drawing up, implementing, monitoring, and reviewing the Risk Management Plan. The Committee lays down Risk Assessment and Minimization Procedures and it reviews the Procedures periodically to ensure that the Executive Management controls the risks through the properly defined framework.

### E. Corporate Social Responsibility (CSR) Committee

The Company has complied with the CSR provisions and the Board has constituted Corporate Social Responsibility Committee in accordance with Section 135 of the Companies Act, 2013 read with rules made there under. The Company is committed to operating in a socially responsible manner in terms of protecting the environment and conserving water resources and energy. Details of the CSR Policy drawn up by the Company and the CSR expenditure and initiatives were taken during the year 2025-26 are given in **Annexure – D** to this Report.

## OTHER MATTERS

### A. Particulars of loans, guarantees, or investments u/s 186 of the Companies Act, 2013

During the year, company has invested ₹ 5 Lakhs in its wholly owned subsidiary M/s Chemfab Hiitech Piping Limited by way of subscription to Equity share capital of 50,000 at ₹ 10 each fully paid up.

### B. Remuneration details of Directors and Employees

The Company's policy on Directors' appointment and remuneration, including criteria for determining qualification, positive attributes and independence of a director and other matters provided under sub-section (3) of section 178, is posted on our company's website in the following link <https://chemfabalkalis.com/investors/> and forms part of this Report pursuant to the first proviso of Sec. 178 of the Companies Act 2013.

### C. Debentures

During the year under review, the Company has not issued any debentures. As of date, the Company does not have any outstanding debentures.

### D. Bonus Shares

During the year under review, the Company has not issued any bonus shares.

### E. Borrowings

The Company has outstanding borrowings including IND AS accounting adjustment entries and interest accrued of ₹ 12,337.34 Lakhs during the financial Year ended March 31, 2026.

### F. Deposits

The Company has not accepted any deposits in terms of Chapter V of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014, during the year under review and as such, no amount on account of principal or interest on public deposits was outstanding as of the balance sheet date.

### G. Transfer to Investor Education and Protection Fund

The details of the transfer of unclaimed dividends and the shares for seven consecutive years to the Investor Education and Protection Fund are given in the Corporate Governance Report forming part of the Annual Report, which is also available on the company's website.

### H. Credit Ratings

India Ratings has assigned initial rating of IND BBB+/Negative/IND A2 for Long term Bank and Short term Bank facilities.

### I. Code of Corporate Governance

In compliance with the requirement of regulations 24 to 27 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, a detailed report on Corporate Governance is annexed to this report as **Annexure – H** along with a Certificate from M/s. M. Damodaran & Associates LLP, Practicing Company Secretaries, affirming compliance with the said Code which is appended as **Annexure – I**.

### J. Code of conduct for Directors and Senior Management:

The Board of Directors had adopted a code of conduct for the Board Members and employees of the company. This Code helps the Company to maintain the standard of Business Ethics and ensure compliance with the legal requirements of the Company.

The Code is aimed at preventing any misconduct and promoting ethical conduct at the Board level and by employees. The Compliance Officer is responsible to ensure adherence to the Code by all concerned.

The Code lays down the standard of conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the workplace, in business practices, and in dealing with stakeholders.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

## K. Management Discussion and Analysis Report

In accordance with the requirement of the Listing Regulations, the Management Discussion and Analysis Report is presented in a separate section, which forms an integral part of this Annual Report.

## L. Disclosure on Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place a Prevention of Sexual Harassment (POSH) Policy in line with the requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Internal Complaint Committee (ICC) has been set up to redress the complaints received in connection with sexual harassment in any form.

All employees (permanent, contractual, temporary, trainees) are covered under this policy.

- Number of complaints filed during the financial year: **NIL**
- Number of complaints disposed of during the financial year: **NIL**
- Number of complaints pending as of the end of the financial year: **NIL**

## M. Vigil Mechanism

The Company has established a vigil mechanism, also called the Whistle Blower Policy, which has been adopted by the Board, applicable to Directors and employees, to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. It provides adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. The confidentiality of Whistle Blower shall be maintained to the greatest extent possible. Details of the vigil mechanism are available on our Company's website.

## N. Annual Return – MGT – 7

As per the provisions of section 134(3)(a) of the companies Act, 2013, the Annual Return of the Company is available on our website at [www.chemfabalkalis.com/investors](http://www.chemfabalkalis.com/investors)

## O. Employees' Stock Option Scheme

The Company has adopted two **Employees' Stock Option Schemes**:

- Chemfab Alkalys Employees' Stock Option Scheme – 2015 ("**CAESOS –2015**") ; and

- Chemfab Alkalys Employees' Stock Option Scheme – 2020 ("**CAESOS –2020**").

## i. Chemfab Alkalys Employees' Stock Option Scheme 2015

The Shareholders of the Amalgamated entity Chemfab Alkalys Limited had approved the Employees' Stock Option Scheme titled "CAESOS – 2015" through Postal Ballot on March 05, 2016. "CAESOS-2015" covering total option pool of 4,00,000 to be granted under the said scheme. Out of which 2,40,000 options have been granted as on date.

## ii. Chemfab Alkalys Employees' Stock Option Scheme 2020

At the 11<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> July 2020, the Shareholders approved Employee Stock Option Scheme ('CAESOS –2020'). Further Shareholders approved the amendment to Employee Stock Option Scheme ('CAESOS –2020') in the Annual General Meeting held on September 12, 2025 covering the total options to be granted under the said scheme not to exceed 5,00,000 (Five Lakhs). The relevant disclosures pursuant to Rule 12 (9) of the Companies (Share Capital and Debentures) Rules, 2014 and SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 is forming part of the financial statements of this Annual report.

Your Company has complied with Companies Act, 2013 and SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("Regulations") wrt. ESOP Schemes viz., CAESOS-2015 and CAESOS-2020 and the required disclosures under said regulations are placed on the website at <https://chemfabalkalis.com/wp-content/uploads/2026/08/CCAL-ESOP-Disclosure-Under-Regulation-14-2025-26-Final.pdf>. Further, a certificate in this regard has been received from the Secretarial Auditors of the Company that ESOP Schemes viz., CAESOS-2015 and CAESOS-2020 has been implemented in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the resolution(s) passed by the Members of the Company. The certificate is given in **Annexure-J**.

During the Financial Year 2025-2026 the Company has allotted 10,000 equity shares under 'CAESOS –2020' scheme.

## P. Green initiatives

Pursuant to the Ministry of Corporate Affairs (MCA) circulars dated April 08, 2020, April 13, 2020, and May 05, 2020, and other circulars issued from time to time, the Company is providing the facility of remote e-voting to its members in respect of the business to be transacted at the AGM. Electronic copies of the Annual Report 2025-2026 and Notice of the Seventeen (17<sup>th</sup>) Annual General Meeting are sent to all the members whose email addresses are registered with the Company/Depository Participant(s). Further, the soft copy of the Annual Report (in pdf format) is also available on our website <https://chemfabalkalis.com/investors/>

Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, and Listing Regulations, the Company is providing an e-voting facility to all members to enable them or their nominees to cast their votes electronically on all resolutions outlined in the notice. The instructions for e-voting are provided in the notice.

#### **Q. Statement on Secretarial Standards**

The Company is adopting compliances of applicable secretarial standards and other secretarial standards to ensure good governance.

#### **R. Human Resources**

Employee relations continue to be cordial and harmonious at all levels and in all the divisions of the Company. The Board of Directors would like to express their sincere appreciation to all the employees for their continued hard work and dedication.

The number of Direct employees as of March 31, 2026, was 219. The table containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) and 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as **Annexure – E** to the Board's Report.

#### **S. Details of application made or proceedings under IBC 2016 during the year**

The Company has not applied any application under Insolvency and Bankruptcy code, 2016.

#### **T. Details of one-time settlement and the valuation done while taking loan from Banks and Financial Institutions**

The company has not entered into a one-time settlement with any Banks & Financial Institutions during the Financial Year 2025-26.

**U.** During FY 2025-26, the Company has complied with all the applicable provisions relating to the Maternity Benefit Act, 1961.

#### **ACKNOWLEDGMENT**

The Directors thank the Shareholders, Customers, Dealers, Suppliers, Bankers, Financial Institutions and all other business associates for their continued support to the Company and the confidence reposed in its Management. The Directors also thank the Government authorities for their co-operation. The Directors wish to record their sincere appreciation of the significant contribution made by the CCAL mates at all levels to its successful operations.

By Order of the Board of Directors  
For **Chemfab Alkalies Limited**

**Place:** Chennai  
**Date:** 29<sup>th</sup> July 2026

**Suresh Krishnamurthi Rao**  
Chairperson  
DIN: 00127809

# Annexure – A

## FORM NO. AOC.1

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ASSOCIATE COMPANIES/JOINT VENTURES (PURSUANT TO THE FIRST PROVISIO TO SUB-SECTION (3) OF SECTION 129 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014)

### Part “A”: Subsidiaries

(Information in respect of subsidiaries to be presented with amounts in ₹ In Lakhs.)

#### i) Chemfab Karaikal Limited (Formerly known as “Chemfab Alkalys Karaikal Limited”)

|                                                                                                                                    |                                                                                 |
|------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|
| <b>Name of the Subsidiary</b>                                                                                                      | Chemfab Karaikal Limited (Formerly known as “Chemfab Alkalys Karaikal Limited”) |
| <b>Date of Incorporation and Nature of business</b>                                                                                | 19.12.2019<br><b>Nature of business:</b><br>Manufacturing of Aluminium Chloride |
| <b>The reporting period for the subsidiary concerned, if different from the holding company’s reporting period</b>                 | 2025-2026                                                                       |
| <b>Reporting Currency and Exchange rate as of the last date of the relevant financial year in the case of foreign subsidiaries</b> | NA                                                                              |
| <b>Equity Share capital</b>                                                                                                        | 532.00                                                                          |
| <b>Other Equity</b>                                                                                                                | (3,596.25)                                                                      |
| <b>Total Assets</b>                                                                                                                | 11,556.25                                                                       |
| <b>Total Liabilities</b>                                                                                                           | 14,620.50                                                                       |
| <b>Investment</b>                                                                                                                  | 594.99                                                                          |
| <b>Turnover</b>                                                                                                                    | 2,246.24                                                                        |
| <b>Profit before taxation</b>                                                                                                      | (827.71)                                                                        |
| <b>Provision for taxation</b>                                                                                                      | 1.06                                                                            |
| <b>Profit after taxation</b>                                                                                                       | (828.77)                                                                        |
| <b>Proposed Dividend</b>                                                                                                           | -                                                                               |
| <b>% of shareholding</b>                                                                                                           | 100%                                                                            |

#### ii) Chemfab Hiitech Piping Limited

|                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                          |
|------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Name of the Subsidiary</b>                                                                                                      | Chemfab Hiitech Piping Limited                                                                                                                                                                                                                                                                                                                           |
| <b>Date of Incorporation and Nature of business</b>                                                                                | 28.10.2025<br><b>Nature of business:</b><br>The Company will be engaged in the business of manufacturing, buying, selling, importing and exporting high quality OPVC (Oriented Polyvinyl Chloride) pipes of all sizes and varieties and fittings used in agricultural, engineering, electrical and mechanical industries and allied business activities. |
| <b>The reporting period for the subsidiary concerned, if different from the holding company’s reporting period</b>                 | From October 28, 2025 (Date of Incorporation) to March 31, 2026.                                                                                                                                                                                                                                                                                         |
| <b>Reporting Currency and Exchange rate as of the last date of the relevant financial year in the case of foreign subsidiaries</b> | NA                                                                                                                                                                                                                                                                                                                                                       |
| <b>Equity Share capital</b>                                                                                                        | 5.00                                                                                                                                                                                                                                                                                                                                                     |
| <b>Other Equity</b>                                                                                                                | (1.38)                                                                                                                                                                                                                                                                                                                                                   |

## ii) Chemfab Hiitech Piping Limited (Contd.)

|                        |        |
|------------------------|--------|
| Total Assets           | 5.16   |
| Total Liabilities      | 1.54   |
| Investment             | -      |
| Turnover               | -      |
| Profit before taxation | (1.38) |
| Provision for taxation | -      |
| Profit after taxation  | (1.38) |
| Proposed Dividend      | -      |
| % of shareholding      | 100%   |

### Part "B": Associates and Joint Ventures

There are no associates and JVs to your company during the reporting period.

**Place:** Chennai  
**Date:** 29<sup>th</sup> July 2026

**Suresh Krishnamurthi Rao**  
Chairperson  
DIN: 00127809

# Annexure – B

## AOC 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in subsection (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

### **Details of contracts or arrangements or transactions not at arm's length basis**

There were no contracts or arrangements, or transactions entered during the year ended March 31, 2026, which were not at arm's length basis.

### **Details of material contracts or arrangement or transactions at arm's length basis**

There were no material contracts or arrangements, or transactions entered during the year ended March 31, 2026.

**Place:** Chennai  
**Date:** 29<sup>th</sup> July 2026

**Suresh Krishnamurthi Rao**  
Chairperson  
DIN: 00127809

# Annexure – C

## CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

### A. Conservation of Energy

| Particulars                                                                   | Details                                                                                                                                                                                                                                                                                                                       |
|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (i) The steps taken or impact on conservation of energy                       | <p>The following energy conservation and operational control for the FY25-26 are:</p> <ol style="list-style-type: none"> <li>VFD operation – <b>13.91 lacs units</b></li> <li>Inverter AC's – <b>0.13 lacs units</b></li> </ol>                                                                                               |
| (ii) The steps taken by the company for utilising alternate sources of energy | <p>The following alternate source of energy made by the company for the FY25-26 are:</p> <ol style="list-style-type: none"> <li>Existing 220 Kwp Roof Top Solar – <b>1.97 lacs Units</b></li> <li>Solar power procurement through LTOA has been carried out through PED grid from waree – <b>184.48 lakh Units</b></li> </ol> |
| (iii) The capital investment on energy conservation equipments                | <p>The captive investment of the company towards the energy conservation for the FY25-26 are:</p> <ol style="list-style-type: none"> <li>Energy saving proposal – ₹ <b>5.40 lacs</b></li> <li>Inverter AC replacement – ₹ <b>3.60 lacs</b></li> </ol>                                                                         |

### B. Technology Absorption

| Particulars                                        | Details                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (i) The efforts made towards technology absorption | <ol style="list-style-type: none"> <li>The Company is actively pursuing long-term hybrid power supply agreements for its Puducherry manufacturing facility, where electricity constitutes a significant component of production costs. As part of its commitment to sustainability and energy transition, the Company plans to increase the share of renewable energy in its total energy consumption from 15% to 65%, significantly reducing its carbon footprint while enhancing long-term energy security and cost competitiveness which will commence from Q1 FY 2026-27.</li> <li>To further reduce operating expenditure, management has installed a state-of-the-art electrolyser from INEOS to replace the existing 30-year-old UHDE electrolyzers. This replacement is expected to enhance production efficiency, reduce energy consumption, and lower maintenance costs.</li> </ol> <p>Securing a stable, cost-effective, and sustainable power supply and implementing energy-efficient INEOS electrolyzers are expected to strengthen the Company's energy security, reduce overall energy costs, and support its broader environmental sustainability goals.</p> <ol style="list-style-type: none"> <li>CCAL is committed to reducing air emissions and advancing cleaner operations by transitioning its core manufacturing fuel from furnace oil and diesel to Liquefied Natural Gas (LNG). This initiative supports lower emissions of sulphur dioxide and particulate matter while enhancing thermal efficiency through cleaner combustion.</li> </ol> <p>CCAL achieved its,</p> <ul style="list-style-type: none"> <li>CCAL's commitment to reducing air emissions.</li> <li>Complete transition to LNG as a cleaner fuel strategy.</li> <li>Sustained reduction of SO<sub>x</sub> and SPM emissions.</li> </ul> <p>Alignment with environmental performance and responsible industrial growth.</p> |

## B. Technology Absorption (Contd.)

| Particulars                                                                                                                    | Details                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (ii) The benefits derived like product improvement, cost reduction, product development, or import substitution                | <ol style="list-style-type: none"> <li>The Company has utilized the sludge generated from the brine purification process for the manufacture of bricks. During the year, approximately 1.1 million bricks (11,00,000) were produced using this sustainable initiative.</li> <li>By the transition from furnace oil to cleaner fuel for its energy requirements, CCAL has achieved a significant reduction in air emissions, eliminating approximately <b>55 MT of sulphur oxides (SOx) and 9.2 MT of suspended particulate matter (SPM)</b> annually. This initiative underscores the Company's commitment to environmental stewardship and sustainable industrial growth.</li> </ol> |
| (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| a) the details of technology imported                                                                                          | INEOS electrolyser                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| b) the year of import                                                                                                          | 2023                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| c) whether the technology been fully absorbed                                                                                  | Yes, The replacement of the existing UHDE electrolyzers with the advanced INEOS electrolyser has resulted in a reduction in specific power consumption by approximately <b>300 kWh per metric tonne of caustic soda</b> , significantly improving the energy efficiency of the production process.                                                                                                                                                                                                                                                                                                                                                                                    |
| d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof                                  | NA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

## 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.

| Particulars               | Amount (₹ In Lakhs) |
|---------------------------|---------------------|
| Foreign exchange earnings | 15.81               |
| Foreign exchange outgo    | 7,010.59            |

Place: Chennai  
Date: 29<sup>th</sup> July 2026

Sd/-  
Suresh Krishnamurthi Rao  
Chairperson  
DIN: 00127809

# Annexure – D

## REPORT ON CSR ACTIVITIES FOR THE FY 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 on CSR Policy of the Company

A brief outline of the company's CSR Policy, including an overview of projects or programs proposed to be undertaken and a reference to the Web-link to the CSR Policy and Projects or Programs.

The Company will take up community and socially focused activities, with Particular emphasis on the following activities, hereinafter referred to as "CSR activities"

- I. Promoting preventive and general health care, sanitation including contribution to the Swach Bharat Kosh set up by the Central Government for the promotion of sanitation and provision of safe drinking water.
- II. Promoting education by providing financial assistance to deserving educational institutions, meritorious students, including special education and employment enhancing vocation skills especially among children, women, elderly, and differently-abled, promoting livelihood enhancement projects and road safety projects

with special emphasis on driver training programmes.

- III. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, daycare centers, and such other facilities for senior citizens.
- IV. Ensuring environmental sustainability, ecological balance, protection of Flora and Fauna, animal welfare, agroforestry, conservation of natural resources, and maintaining the quality of soil, air, and water including contribution to the Clean Ganga Fund set up by the Central Government for rejuvenation of the Ganga.
- VII. Contributing to rural development projects; and
- VIII. Such other activities and projects are covered in Schedule VII to the Companies Act, 2013 and notifications made by the Ministry from time to time.

### 1. Composition of CSR Committee:

| Sl. No. | Name of Director                                                        | Designation Nature of Directorship                | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---------|-------------------------------------------------------------------------|---------------------------------------------------|----------------------------------------------------------|--------------------------------------------------------------|
| 1       | Mrs. Sujatha Jayarajan                                                  | Chairperson and Independent Director              | 4                                                        | 4                                                            |
| 2       | Mr. C.S. Ramesh*                                                        | Former Chairperson and Non – Independent Director | 2                                                        | 1                                                            |
| 3       | Mr. A. Janakiraman                                                      | Member – Independent Director                     | 4                                                        | 3                                                            |
| 4       | Mr. R. Mahendran                                                        | Member – Non – Independent Director               | 4                                                        | 4                                                            |
| 5       | Mr. Nitin Cowlagi                                                       | Member – Non – Independent Director               | 4                                                        | 4                                                            |
| 6       | Mr. Satish Narain Jajoo<br>(Appointed w.e.f 31 <sup>st</sup> July 2025) | Member – Independent Director                     | 2                                                        | 2                                                            |

\*Resigned with effect from 31<sup>st</sup> July 2025.

### 3. Web link

Where the Composition of the CSR committee, CSR Policy, and CSR projects approved by the board are disclosed on the website of the company.

- CSR Policy Link: <https://chemfabalkalis.com/wp-content/uploads/2023/03/Corporate-Social-Responsibility-Policy.pdf>
- Composition of CSR Committee: Available at <https://chemfabalkalis.com/investors/>
- CSR Project: Available at <https://chemfabalkalis.com/community-outreach/> (Projects Approved by the Board)

(Management Committee Members)

### 4. Details of the 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 (attach the report).

Not applicable.

### 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any – Rs. 6,64,119.

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

₹ 51,53,33,896

#### 7. (a) Two percent of average net profit of the company as per section 135(5):

₹ 1,03,06,678

#### (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years:

#### (c) Amount required to be set off for the financial year if any:

₹ 6,64,119

#### (d) Total CSR obligation for the financial year (7a+7b- 7c).

₹ 96,42,559

### 8. (a) CSR amount spent or unspent for the financial year:

| Total Amount Spent for the Financial Year.                             | Amount Unspent (in ₹)                                                                                    |         |                   |
|------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|---------|-------------------|
| Total Amount transferred to Unspent CSR Account as per section 135(6). | Amount transferred to any fund specified under Schedule VII as per the second proviso to section 135(5). |         |                   |
| Amount.                                                                | Name of the Fund.                                                                                        | Amount. | Date of transfer. |
| ₹ 1,05,51,460                                                          | -                                                                                                        | -       | -                 |

### Details of CSR amount spent against ongoing projects for the financial year:

| Sl. No. of the Project | Name of the Project     | Local area (Yes/No) | Project duration | Amount allocated for the project (in ₹) | Amount spent in the current financial year (in ₹) | Amount transferred to Unspent CSR Account for the project as per section 135(6) (in ₹) | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency | Name | CSR Registration number |
|------------------------|-------------------------|---------------------|------------------|-----------------------------------------|---------------------------------------------------|----------------------------------------------------------------------------------------|------------------------------------------|------------------------------------------------------|------|-------------------------|
|                        | Schedule VII to the Act | state               | District         |                                         |                                                   |                                                                                        |                                          |                                                      |      |                         |
| NIL                    |                         |                     |                  |                                         |                                                   |                                                                                        |                                          |                                                      |      |                         |

**(c) Details of CSR amount spent against other than ongoing projects for the financial year:**

| Sl. No.      | Name of the Project                       | Item from the list of activities in Schedule VII to the Act | Local area (Yes/No) | Location of the project |                       | Amount spent for the project (in ₹) | Mode of implementation Direct (Yes/No) | Mode of implementation Through implementing agency |                         |
|--------------|-------------------------------------------|-------------------------------------------------------------|---------------------|-------------------------|-----------------------|-------------------------------------|----------------------------------------|----------------------------------------------------|-------------------------|
|              |                                           |                                                             |                     | state                   | District              |                                     |                                        | Name                                               | CSR Registration number |
| 1            | Education and Training                    | Schedule VII (ii)                                           |                     | Puducherry/ Tamilnadu   | Puducherry/ Tamilnadu | 10,87,314                           | Yes                                    |                                                    | -                       |
| 2            | Education and Training                    | Schedule VII (ii)                                           |                     | Puducherry              | Puducherry            | 1,60,000                            | No                                     |                                                    | CSR00003268             |
| 3            | Education and Training                    | Schedule VII (ii)                                           |                     | Puducherry              | Puducherry            | 3,00,000                            | No                                     |                                                    | CSR00003918             |
| 4            | Education and Training                    | Schedule VII (ii)                                           |                     | Puducherry              | Puducherry            | 4,90,875                            | No                                     |                                                    | CSR00021575             |
| 5            | Education and Training                    | Schedule VII (ii)                                           |                     | Tamilnadu               | Tamilnadu             | 11,00,000                           | No                                     |                                                    | CSR00023657             |
| 6            | Education and Training                    | Schedule VII (ii)                                           |                     | Puducherry              | Puducherry            | 5,00,000                            | No                                     |                                                    | CSR00097668             |
| 7            | Education and Training                    | Schedule VII (ii)                                           |                     | Tamilnadu               | Tamilnadu             | 10,00,000                           | No                                     |                                                    | CSR00101554             |
| 8            | Ensuring Environment Sustainability       | Schedule VII (iv)                                           |                     | Puducherry              | Puducherry            | 3,27,584                            | Yes                                    |                                                    | -                       |
| 9            | Ensuring Environment Sustainability       | Schedule VII (iv)                                           |                     | Puducherry              | Puducherry            | 7,68,500                            | No                                     |                                                    | CSR00067297             |
| 10           | Eradicating Hunger, Poverty, Malnutrition | Schedule VII (i)                                            |                     | Puducherry/ Tamilnadu   | Puducherry/ Tamilnadu | 12,60,000                           | No                                     |                                                    | CSR00067297             |
| 11           | Health Care                               | Schedule VII (i)                                            |                     | Tamilnadu               | Tamilnadu             | 5,00,000                            | No                                     |                                                    | CSR00004990             |
| 12           | Health Care                               | Schedule VII (i)                                            |                     | Puducherry              | Puducherry            | 4,90,000                            | No                                     |                                                    | CSR00021575             |
| 13           | Rural Development Projects                | Schedule VII (x)                                            |                     | Puducherry              | Puducherry            | 14,83,387                           | Yes                                    |                                                    | -                       |
| 14           | Rural Sports Promotion                    | Schedule VII (vii)                                          |                     | Puducherry              | Puducherry            | 1,00,000                            | No                                     |                                                    | CSR00100759             |
| 15           | Safe Drinking Water                       | Schedule VII (i)                                            |                     | Puducherry              | Puducherry            | 4,83,800                            | Yes                                    |                                                    | -                       |
| 16           | Safe Drinking Water                       | Schedule VII (i)                                            |                     | Tamilnadu               | Tamilnadu             | 5,00,000                            | No                                     |                                                    | CSR00012630             |
| <b>TOTAL</b> |                                           |                                                             |                     |                         |                       | <b>1,05,51,460</b>                  |                                        |                                                    |                         |

**(d) Amount spent in Administrative Overheads:**

Nil

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

Nil

**(f) Total amount spent for the Financial Year (8b+8c+8d+8e):**

1,05,51,460

**(g) Excess amount for set-off, if any**

| Sl. No. | Particular                                                                                                  | Amount (in ₹) |
|---------|-------------------------------------------------------------------------------------------------------------|---------------|
| (i)     | Two percent of average net profit of the company as per section 135(5)                                      | 1,03,06,678   |
| (ii)    | Total amount spent for the Financial Year                                                                   | 1,05,51,460   |
| (iii)   | Excess amount spent for the financial year [(ii)-(i)]                                                       | 2,44,782      |
| (iv)    | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | Nil           |
| (v)     | The amount available for set off in succeeding financial years                                              | 9,08,901      |

**9. (a) Details of Unspent CSR amount for the preceding three financial years:**

| Sl. No. | Preceding Financial Year | Amount transferred to Unspent CSR Account under section 135 (6) (in ₹) | Amount spent in the reporting Financial Year (in ₹) | Amount transferred to any fund specified under Schedule VII as per section 135(6), if any |               |                  | Amount remaining to be spent in succeeding financial years. (in ₹) |
|---------|--------------------------|------------------------------------------------------------------------|-----------------------------------------------------|-------------------------------------------------------------------------------------------|---------------|------------------|--------------------------------------------------------------------|
|         |                          |                                                                        |                                                     | Name of the Fund                                                                          | Amount (in ₹) | Date of transfer |                                                                    |
| NIL     |                          |                                                                        |                                                     |                                                                                           |               |                  |                                                                    |

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):** NIL

**10. In case of creation or acquisition of the capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (Asset-wise details).**

| Sl. No. | (a) Date of creation of asset | (b) amount of CSR spend (₹) | (c) details of beneficiary | (d) details of capital assets |
|---------|-------------------------------|-----------------------------|----------------------------|-------------------------------|
| NIL     |                               |                             |                            |                               |

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

Sd/-  
**Sujatha Jayarajan**  
 (Chairperson - CSR Committee)

# Annexure – E

## REMUNERATION DETAILS

**DISCLOSURE PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016**

The Information required under section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as below:

(i) the ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year:

(₹ In lakhs)

| Sl. No. | Director Name                | Remuneration FY 2025-26 | Median Remuneration of Employees FY 2025-26 | Ratio |
|---------|------------------------------|-------------------------|---------------------------------------------|-------|
| 1       | Mr. Suresh Krishnamurthi Rao | 200.00                  | 6.40                                        | 31.25 |
| 2       | Mr. C.S. Ramesh*             | 5.70                    | 6.40                                        | 0.89  |
| 3       | Mrs. Drushti Desai           | 7.08                    | 6.40                                        | 1.11  |
| 4       | Mr. Janakiraman A.           | 6.90                    | 6.40                                        | 1.08  |
| 5       | Mr. Mahendran R.             | 6.50                    | 6.40                                        | 1.02  |
| 6       | Mrs. Sujatha Jayarajan       | 6.70                    | 6.40                                        | 1.05  |
| 7       | Mr. Nitin S. Cowlagi         | 6.48                    | 6.40                                        | 1.01  |
| 8       | Mr. Satish Narain Jajoo      | 1.30                    | 6.40                                        | 0.20  |

\*Resigned w.e.f. 31<sup>st</sup> July 2025

(ii) the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary, or Manager, if any, in the financial year:

(₹ In lakhs)

| Sl. No. | Director Name                | Remuneration FY 2025-26 | Remuneration FY 2024-25 | % Increase/ (Decrease) |
|---------|------------------------------|-------------------------|-------------------------|------------------------|
| 1       | Mr. Suresh Krishnamurthi Rao | 200.00                  | 412.50                  | (51.52%)               |
| 2       | Mr. C.S. Ramesh*             | 5.70                    | 9.60                    | (40.63%)               |
| 3       | Mrs. Drushti Desai           | 7.08                    | 9.30                    | (23.87%)               |
| 4       | Mr. Janakiraman A.           | 6.90                    | 9.50                    | (27.37%)               |
| 5       | Mr. Mahendran R.             | 6.50                    | 8.80                    | (26.14%)               |
| 6       | Mrs. Sujatha Jayarajan       | 6.70                    | 9.20                    | (27.17%)               |
| 7       | Mr. T. Ramabadhran           | -                       | 7.50                    | -                      |
| 8       | Mr. Nitin S Cowlagi          | 6.48                    | 9.00                    | (28.00%)               |
| 9       | Mr. Satish Narain Jajoo      | 1.30                    | -                       | -                      |
| 9       | Mr. V.M Srinivasan, CEO      | 167.20                  | 654.63                  | (74.46%)               |
| 10      | Mr. Prasath S. CFO           | 50.28                   | 197.51                  | (74.54%)               |
| 11.     | Mr. B. Vignesh Ram**         | 1.68                    | 16.45                   | (89.78%)               |
| 12.     | Mr. Bharatraj Panchal***     | 13.36                   | -                       | -                      |

\* Resigned w.e.f. 31<sup>st</sup> July 2025;

\*\*Resigned w.e.f. 18<sup>th</sup> April, 2025;

\*\*\*Appointed w.e.f. 16<sup>th</sup> July 2025.

(iii) the percentage increase in the median remuneration of employees in the financial year:

(₹ In lakhs)

| Particulars             | FY 2025-26 | FY 2024-25 | % Increase/<br>(Decrease) |
|-------------------------|------------|------------|---------------------------|
| Employees Salary        | 2,446.56   | 2,289.71   | 6.85%                     |
| Managerial Remuneration | 240.66     | 475.40     | (49.38%)                  |

(iv) number of permanent employees on the rolls of company – 219

(viii) average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof, pointing out if there are any exceptional circumstances for increase in the managerial remuneration.

(₹ In lakhs)

| Particulars             | FY 2025-26 | FY 2024-25 | % Increase/<br>(Decrease) |
|-------------------------|------------|------------|---------------------------|
| Employees Salary        | 2,446.56   | 2,289.71   | 6.85%                     |
| Managerial Remuneration | 240.66     | 475.40     | (49.38%)                  |

(xii) affirmation that the remuneration is as per the remuneration policy of the Company.

(item (v) (vi) (vii) (ix) (x) (xi) Omitted by Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 Dated 30<sup>th</sup> June, 2016.

## TOP 10 EMPLOYEES IN TERMS OF REMUNERATION DRAWN

Statement pursuant to Section 134 of the Companies Act 2013, read with rule 5(2) and 5(3) of the Companies Act (Appointment and Remuneration of Managerial Personnel) Rules 2014 and Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules 2016 Statement as per rule 5(2) of the above-said rule.

| Employee Name       | Designation & Nature of Employment | Qualification and Experience (In Years) | Age | Date of Joining & Previous Employment details                                                                        | Remuneration (₹ In lakhs) | Percentage of equity shares held | whether the employee is a relative of any director or manager of the company |
|---------------------|------------------------------------|-----------------------------------------|-----|----------------------------------------------------------------------------------------------------------------------|---------------------------|----------------------------------|------------------------------------------------------------------------------|
| Mr. V.M. Srinivasan | CEO (Permanent Employee)           | B.Sc, MBA Experience – 32 years         | 60  | 26/04/2017 Previous Employment – CEO, the erstwhile amalgamated Company – Chemfab Alkalies Limited and Floking Pipes | 167.20                    | 1.8026%                          | No                                                                           |

## REMUNERATION

As prescribed under Section 197(12) of the Companies Act, 2013 ("Act") and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details are given in **Annexure E**. In terms of provisions of Section 197(12) of the Companies Act, 2013 and Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing names of the employees, age, designation, drawing remuneration, nature of employment, qualification, experience, date of commencement of employment, last employment, and other particulars in terms of the said Rules is available for inspection at the Registered Office of the Company during working hours and any member who is interested in obtaining these particulars may write to the Company Secretary of the Company via email: [ccalcosecy@ccal.in](mailto:ccalcosecy@ccal.in)

# Annexure – F

## FORM NO. MR 3

### Secretarial Audit Report

For the financial year ended March 31, 2026

(Pursuant to section 204(i) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel)

Rules, 2014 and Regulation 24A (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015])

To

The Members,

**CHEMFAB ALKALIS LIMITED**

(CIN: L24290TN2009PLC071563)

Team House, GST Salai, Vandalur,

Chennai – 600 048.

We, M Damodaran & Associates LLP, Practicing Company Secretaries, Chennai have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CHEMFAB ALKALIS LIMITED** (hereinafter called 'the Company'). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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 **March 31, 2026** ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'); including amendment/re-enactment made thereto;
  - a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - e) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client;
  - f) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
  - g) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015;
- (vi) The Management has identified and confirmed compliances with certain laws as specifically applicable to the Company as per **Annexure- A** which forms part of this report.

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

- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable to the Company listed on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE'); and
- ii. Secretarial Standard -1 (SS-1) for Board Meeting and Secretarial Standard -2 (SS-2) for General Meeting issued by The Institute of Company Secretaries of India (ICSI).

During the audit period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Circulars, Notifications, Guidelines, Secretarial Standards, etc. mentioned above, except the following:

- a. The Board of Directors of the Company comprised seven directors, of which only three were Independent Directors, during the period from April 1, 2025 to May 29, 2025. Subsequently, the Company complied with the requirements of Regulation 17(1) (b) of the SEBI (LODR) Regulations, 2015 by appointing an additional Independent Director to the Board with effect from May 30, 2025.
- b. The Company appointed Mr. Satish Narain Jajoo (DIN: 07524333) as an Additional Director (Non-Executive Independent Director) with effect from May 30, 2025, at its Board Meeting held on the same date. Subsequently, the shareholders approved his appointment at the Annual General Meeting held on September 12, 2025, pursuant to Regulation 17 (IC) (a) of the SEBI (LODR) Regulations, 2015, with a delay of 12 days.

**We further report that** the Board of Directors of the Company is constituted with Non-executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were generally carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board and Committee Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice with the consent of all the Directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As per the minutes of the meetings duly recorded and signed by the respective Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

**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** during the audit period, the shareholders of the Company, inter alia, has passed following resolutions at the Annual General Meeting held on September 12, 2025;

- i. special resolution under Sections 197, 198 of the Companies Act 2013 and rules made thereunder and pursuant to Regulation 17(6) (ca) of the SEBI (LODR) Regulations, 2015, for Payment of Commission to Non – Executive Directors of the Company for the Financial Year 2024-25.
- ii. special resolution under Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under and read with Schedule IV of the Act and Regulation 17 and 25 and other applicable provisions of the SEBI (LODR) Regulations, 2015, for appointment of Mr. Satish Narain Jajoo (DIN: 07524333) as an Independent Director for first term of 5 (Five) consecutive years commencing from May 30, 2025 to May 29, 2030.
- iii. special resolution under Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, Regulations 6 & 7 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the applicable provisions of the SEBI (LODR) Regulations, 2015, and the relevant rules, notifications, circulars, and guidelines made thereunder, to amend the Chemfab Alkalis Employee Stock Option Scheme ("CAESOS 2020").
- iv. ordinary resolution under Section 204 and other applicable provisions of the Companies Act, 2013 read with rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for appointment of M/s. M Damodaran & Associates LLP, Practicing Company Secretaries, Chennai (Firm Registration No.L2019TN006000) as the Secretarial Auditors of the Company for a term of five (5) consecutive years, commencing from the Financial Year 2025-2026 till the Financial Year 2029-30.

For **M DAMODARAN & ASSOCIATES LLP**

**KALAIYARASI JANAKIRAMAN**

Partner

Membership No.: 29861

COP. No.: 19385

FRN: L2019TN006000

PR 3847/2023

ICSI UDIN: A029861H000344714

**Place:** Chennai

**Date:** May 13, 2026

(This report is to be read with our letter of even date which is annexed as **Annexure B** and forms an integral part of this report)

## ANNEXURE – A

**The Management has identified and confirmed compliances with following laws as specifically applicable to the Company during the Audit period 2025-26:**

- |                                                                                                 |                                                                                               |
|-------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|
| 1. Air (Prevention & Control of Pollution) Act 1981 and rules thereunder                        | 22. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 |
| 2. Batteries (Management and Handling) Rules, 2001                                              | 23. Shops and Commercial Establishment Acts, and                                              |
| 3. Bio-Medical Waste Management Rules, 2016                                                     | 24. The Environment (Protection) Act, 1986                                                    |
| 4. Code Of Ethics for Doctors and Nurses                                                        | 25. The Explosives Act, 1884                                                                  |
| 5. Contract Labour (Regulation & Abolition) Act, 1970                                           | 26. The Indian Boilers Act, 1923                                                              |
| 6. Copyright Act, 1957                                                                          | 27. The Minimum Wages Act, 1948                                                               |
| 7. Electricity Act 2003                                                                         | 28. Trademarks Act, 1999                                                                      |
| 8. Employees' Compensation Act, 1923                                                            | 29. Water (Prevention & Control of Pollution) Act 1974 and rules thereunder                   |
| 9. Employees' Provident Funds and Miscellaneous Provisions Act, 1952                            | 30. Water (Prevention & Control of Pollution) Cess Act, 1977                                  |
| 10. Employers State Insurance Act, 1948                                                         | 31. Legal Metrology Act, 2009                                                                 |
| 11. Environment Protection Act, 1986                                                            | 32. Factories Act, 1948                                                                       |
| 12. Equal Remuneration Act, 1976                                                                | 33. Puducherry Ground Water (control & Regulations) Act 2002                                  |
| 13. Food Safety and Standards Act, 2006 and Rules 2011 along with regulations.                  | 34. The Manufacture, Storage and Import of Hazardous Chemicals Rules 1989 (MSIHC)             |
| 14. Hazardous and Other Wastes (Management and Trans boundary Movement) Rules, 2016             | 35. The Puducherry Municipality Act 1973                                                      |
| 15. Industrial Disputes Act, 1947                                                               | 36. The Puducherry Town and Country Planning Act, 1969                                        |
| 16. Inter-State Migrant Workers (Regulation of Employment and Conditions of Services) Act, 1979 | 37. The Puducherry (Public) Health Act, 1973                                                  |
| 17. Fire Force Act, 1964                                                                        | 38. Andhra Fire service Act 1999                                                              |
| 18. Minimum Wages Act, 1948                                                                     | 39. Andhra Municipality Act 1965                                                              |
| 19. Payment of Bonus Act, 1965                                                                  | 40. Tamil Nadu Municipal Act 1920                                                             |
| 20. Payment of Gratuity Act, 1972                                                               | 41. Tamil Nādu Ground water (Development and Management) Act 2003.                            |
| 21. Payment of Wages Act, 1936                                                                  |                                                                                               |

For **M DAMODARAN & ASSOCIATES LLP**

**KALAIYARASI JANAKIRAMAN**

Partner

Membership No.: 29861

COP. No.: 19385

FRN: L2019TN006000

PR 3847/2023

ICSI UDIN: A029861H000344714

**Place:** Chennai

**Date:** May 13, 2026

## ANNEXURE B

To

The Members,

**CHEMFAB ALKALIS LIMITED**

(CIN: L24290TN2009PLC071563)

Team House, GST Salai, Vandalur,  
Chennai – 600 048.

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on the audit conducted by us.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on a test 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 the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on the 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.

For **M DAMODARAN & ASSOCIATES LLP**

**KALAIYARASI JANAKIRAMAN**

Partner

Membership No.: 29861

COP. No.: 19385

FRN: L2019TN006000

PR 3847/2023

ICSI UDIN: A029861H000344714

**Place:** Chennai

**Date:** May 13, 2026

## ANNEXURE – F1

### Form No. MR-3

#### Secretarial Audit Report

For The Financial Year Ended March 31, 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,

**CHEMFAB KARAIKAL LIMITED**

(Formerly Chemfab Alkalies Karaikal Limited)

Team House, GST Salai, Vandalur,

Kancheepuram,

Chennai-600048.

We, S Sandeep & Associates, Company Secretaries, have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CHEMFAB KARAIKAL LIMITED** (CIN: U24100TN2019PLC133285) hereinafter called "the Company". The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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, the explanations and clarifications given to us and the representations made by the Management, and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026, has complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2026, according to the applicable provisions of:
  - a. The Companies Act, 2013 (the Act) and the rules made thereunder.
  - b. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
  - c. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
  - d. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment,

Overseas Direct Investment and External Commercial Borrowings - **Not Applicable for the year under review.**

- e. The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), as amended from time to time:
  - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Not Applicable for the year under review.**
  - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **Not Applicable for the year under review.**
  - iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable for the year under review.**
  - iv. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable for the year under review.**
  - v. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not applicable for the year under review.**
  - vi. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client with respect to issue of securities; **Not Applicable for the year under review.**
  - vii. Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not applicable for the year under review.**
  - viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable for the year under review.**

- ix. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; **Not Applicable for the year under review.**
- x. Securities and Exchange Board of India (Depositories and Participants) Regulations 2018; **Not Applicable for the year under review.**
- xi. Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993; **Not applicable for the year under review.**

**Other Laws specifically applicable to the Company is as follows:**

1. Air (Prevention & Control of Pollution) Act 1981 and rules thereunder
2. Batteries (Management and Handling) Rules, 2001
3. Bio-Medical Waste Management Rules, 2016
4. Food Safety and Standards Act, 2006 and Rules 2011 along with regulations
5. Hazardous and Other Wastes (Management and Trans boundary Movement) Rules, 2016
6. Industrial Disputes Act, 1947
7. Inter-State Migrant Workers (Regulation of Employment and Conditions of Services) Act, 1979
8. Fire Force Act, 1964
9. Shops and Commercial Establishment Acts
10. The Environment (Protection) Act, 1986
11. The Explosives Act, 1884
12. The Indian Boilers Act, 1923
13. Water (Prevention & Control of Pollution) Act 1974 and rules thereunder
14. Water (Prevention & Control of Pollution) Cess Act, 1977
15. Legal Metrology Act, 2009
16. Factories Act, 1948
17. Puducherry Ground Water (Control & Regulations) Act 2002.
18. The Manufacture, Storage and Import of Hazardous Chemicals Rules 1989 (MSIHC)
19. The Puducherry Municipality Act 1973
20. The Puducherry Town and Country Planning Act, 1969
21. The Puducherry (Public) Health Act, 1973
22. Tamil Nadu Municipal Act 1920

2. We have also examined compliance with the applicable clauses of the following:
  - a. Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
  - b. The Listing Agreements entered into by the Company with the BSE Limited and National Stock Exchange of India Limited as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for listing of its Equity Shares; **Not applicable for the year under review.**

We further report that during the period under review the Company has complied with the applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

3. We further report that:
  - a. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Mr. Suresh Krishnamurthi Rao was re-appointed by way of retirement by rotation at the Annual General Meeting held on 08.09.2025.
  - b. Adequate notice is given to all directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent in advance and a proper system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
  - c. As per the minutes of the meetings duly recorded and signed by the Chairperson, the decisions of the Board and Committees were unanimous and no dissenting views have been recorded.
4. We further report that based on the information received, records maintained and representation received, there are adequate systems and processes in the Company, commensurate with the size and operations of the Company to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.
5. The Company has obtained necessary approvals under the provisions of the Companies Act, 2013 **for the change of name of the Company from Chemfab Alkalies Karaikal Limited to Chemfab Karaikal Limited.**

6. There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Securities Exchange Board of India Act, 1992, The Securities Contracts (Regulation) Act, 1956, Depositories Act, 1996, Foreign Exchange Management Act, 1999 and Rules, Regulations and Guidelines framed under these Acts against/on the Company, its Directors and Officers.
7. The following are the actions taken by the Company pursuant to approval by the members of the Company passed at its Extra – Ordinary General Meeting held on 20.11.2025, in compliance with the applicable provisions of the Act:
  - i. To consider and approve change in the name of the company and consequent alteration in the name clause in the Memorandum of Association of the Company.
8. The following are the actions taken by the Company pursuant to approval by the members of the Company passed at the Annual General Meeting held on 08.09.2025, in compliance with the applicable provisions of the Act:
  - i. Adoption of Financial Statements for the Financial Year Ended 2024-25;
  - ii. Re-appointment of Mr. Suresh Krishnamurthi Rao (DIN: 00127809) Director by way of Retirement by rotation;
  - iii. Re-Appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants, (Firm Registration No. 008072S) as the Statutory Auditors of the company for the second term of five years from the conclusion of the Annual General Meeting till the conclusion of the 11<sup>th</sup> Annual General Meeting.

For **S Sandeep & Associates**

**T. Sampath Kumar**

Partner

FCS No.: 8070

COP No.: 15389

PR No.: 7694/2026

UDIN: F008070H000970108

**Place:** Chennai  
**Date:** 29/07/2026

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

## ANNEXURE I

To

The Members,

**CHEMFAB KARAIKAL LIMITED**

**(Formerly Chemfab Alkalies Karaikal Limited)**

Team House, GST Salai, Vandalur,

Kancheepuram,

Chennai-600048.

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

1. Maintenance of secretarial records 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 the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **S Sandeep & Associates**

**T. Sampath Kumar**

Partner

FCS No.: 8070

COP No.: 15389

PR No.: 7694/2026

UDIN: F008070H000970108

**Place:** Chennai

**Date:** 29/07/2026

# Annexure – G

## 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 **CHEMFAB ALKALIS LIMITED**,  
(CIN- L24290TN2009PLC071563)  
Team House, GST Salai, Vandalur  
Chennai, Tamil Nadu – 600 048.

We, M Damodaran & Associates LLP, Practicing Company Secretaries have examined the relevant registers, records, forms, returns and disclosures received from the Directors of CHEMFAB ALKALIS LIMITED having (CIN- L24290TN2009PLC071563) and having registered office at Team House, GST Salai, Vandalur, Chennai 600 048 Tamil Nadu (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 Sub clause 10(i) of the Securities 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](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31<sup>st</sup> March, 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. Suresh Krishnamurthi Rao     | 00127809 | 06/05/2009                     |
| 2.      | Mr. Ananthanarayanan Janakiraman | 01831854 | 26/04/2017                     |
| 3.      | Mrs. Drushti Rahul Desai         | 00294249 | 26/04/2017                     |
| 4.      | Mrs. Sujatha Jayarajan           | 00633989 | 26/04/2017                     |
| 5.      | Mr. Mahendran                    | 07451058 | 14/03/2016                     |
| 6.      | Mr. Nitin Cowlagi Seshgiri       | 06703283 | 04/06/2020                     |
| 7.      | Mr. Satish Narain Jajoo          | 07524333 | 30/05/2025                     |

Ensuring the eligibility of 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 **M DAMODARAN & ASSOCIATES LLP**

**Place:** Chennai  
**Date:** May 13, 2026

**KALAIYARASI JANAKIRAMAN**  
Partner  
Membership No.: 29861  
COP. No.: 19385  
FRN: L2019TN006000  
PR 3847/2023  
ICSI UDIN: A029861H000346023

# Annexure – H

## REPORT ON CORPORATE GOVERNANCE

For The Year Ended March 31, 2026

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

At the Company, the term 'Governance' reflects its belief that good corporate governance practices are foundation for sustainable business that aims at long term value for all the stakeholders. This includes its corporate structure, its culture, policies, and the way it deals with various stakeholders, maintaining the highest standards of trust and reliability.

Your Company has adopted a transparent, ethical and robust Governance framework to enhance stakeholder confidence to ensure transparency and accountability.

Accordingly, timely and accurate disclosure of information regarding the financial performance, ownership, and material developments in respect of the Company are integral parts of Corporate Governance. Adoption of good Corporate Governance practices helps to develop a good image of the organization, attracts the best talents, and keeps the stakeholders satisfied.

Your Company has been practicing the principles of good Corporate Governance over the years and

has been upholding fair and ethical business and corporate practices and transparency in its dealings, emphasizing scrupulous regulatory compliances.

### Company's Philosophy On Code Of Corporate Governance

Your Company believes that sound Corporate Governance is critical to enhance and retain investors' trust.

Accordingly, your Company seeks to achieve its goals with integrity and fairness. The Company's philosophy is based on Accountability, Ethical conduct, Compliance with statutes, Interest of all stakeholders, Transparency, and Timely disclosure. The objective is to institutionalize Corporate Governance practices that go beyond adherence to the regulatory framework.

The Company is in full compliance with the requirements under Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Your Company is committed to adhering to the norms of Corporate Governance consistently for meeting all its obligations towards the stakeholders.

### 2. BOARD OF DIRECTORS

The Company's Board consists of Seven Directors as on 31<sup>st</sup> March 2026, all of whom are Non-Executive Directors.

| Sl. No. | Director Name                | Category                             | Date of appointment |
|---------|------------------------------|--------------------------------------|---------------------|
| 1       | Mr. Suresh Krishnamurthi Rao | Promoter, Non - Independent Director | 26.04.2017          |
| 2.      | Mr. C.S. Ramesh*             | Non - Independent Director           | 26.04.2017          |
| 3.      | Mr. R. Mahendran             | Non - Independent Director           | 14.03.2016          |
| 4.      | Mr. Nitin S. Cowlagi         | Non - Independent Director           | 04.06.2020          |
| 5.      | Mr. A. Janakiraman           | Independent Director                 | 26.04.2017          |
| 6.      | Mrs. Drushti Desai           | Independent Director                 | 26.04.2017          |
| 7.      | Mrs. Sujatha Jayarajan       | Independent Director                 | 26.04.2017          |
| 8.      | Mr. Satish Narain Jajoo      | Independent Director                 | 30.05.2025          |

\*Mr. C.S. Ramesh, Non - Independent Director of the Company, resigned from the office of director due to personal reason. The Vacation of office was given effect only after the close of business hours of 31<sup>st</sup> July 2025.

The Company is Board-managed, and it has no Managing Director, Whole-Time Director, or Manager. The day-to-day affairs are managed by the Chief Executive Officer (CEO) of the Company, under the direct supervision of the Board.

## The Senior Management and Key Managerial Personnel of the Company consist as below:

| Name of the Personnel                 | Designation             |
|---------------------------------------|-------------------------|
| V.M. Srinivasan                       | Chief Executive Officer |
| S. Prasath                            | Chief Financial Officer |
| B. Vignesh Ram (till 18.04.2025)      | Company Secretary       |
| Bharatraj Panchal (w.e.f. 16.07.2025) | Company Secretary       |

The composition of the Board, the categorization of Directors, the number of Board meetings held during the Financial Year, 2025-26, attendance at the Board meetings and the last Annual General Meeting, and the number of Directorships and Memberships/Chairmanships in other public companies held by the Directors as on 31<sup>st</sup> March 2026 are given below:

### A. I) Information On Board Of Directors And Attendance

| Sl. No. | Name of Directors (Mr./Mrs.)                                     | Category of Directorship   | No. of Equity Shares held | No. of Board Meetings |          | No. of Other Director | No. of other Committee |          | Attendance of last AGM |
|---------|------------------------------------------------------------------|----------------------------|---------------------------|-----------------------|----------|-----------------------|------------------------|----------|------------------------|
|         |                                                                  |                            |                           | Held                  | Attended |                       | Member                 | Chairman |                        |
| 1       | Suresh Krishnamurthi Rao                                         | Promoter Non - Independent | 14,24,423                 | 6                     | 6        | 3                     | 0                      | 0        | YES                    |
| 2.      | C.S. Ramesh*                                                     | Non - Independent          | 30                        | 4                     | 2        | 0                     | 0                      | 0        | NO                     |
| 3.      | R. Mahendran                                                     | Non - Independent          | 0                         | 6                     | 6        | 2                     | 0                      | 0        | YES                    |
| 4.      | Nitin S. Cowlagi                                                 | Non - Independent          | 56,142                    | 6                     | 6        | 1                     | 0                      | 0        | YES                    |
| 5.      | Sujatha Jayarajan                                                | Independent                | 0                         | 6                     | 5        | 4                     | 0                      | 0        | YES                    |
| 6.      | Drushti Desai                                                    | Independent                | 0                         | 6                     | 5        | 5                     | 5                      | 6        | YES                    |
| 7.      | A. Janakiraman                                                   | Independent                | 0                         | 6                     | 5        | 0                     | 0                      | 0        | YES                    |
| 8.      | Mr. Satish Narain Jajoo (Appt. w.e.f. 30 <sup>th</sup> May 2025) | Independent                | 0                         | 4                     | 4        | 2                     | 2                      | 1        | YES                    |

\*Resigned from the office with effect from 31<sup>st</sup> July 2025.

\*The Directorships and membership in Committee held by the Directors as mentioned above do not include Chemfab Alkalies Limited, and Alternate Directorships and Directorships of Foreign Companies.

Please refer to <https://chemfabalkalis.com/wp-content/uploads/2026/06/Familiarization-Programme-for-Independent-Directors.pdf> for familiarization program imparted to Independent Directors.

### Appointment of Independent Directors

The Independent Directors meeting held on 10<sup>th</sup> March 2026 reviewed the performance of Non – Independent Directors and the Board as a whole and the performance of the Chairperson – considering the view of other Non – Independent Director(s) and assessed the quality, quantity, and timeliness of the flow of information between the company management and the Board. [www.chemfabalkalis.com/investors](http://www.chemfabalkalis.com/investors).

In the opinion of the Board, the Independent Directors fulfill the conditions specified in SEBI Listing Regulations and they are independent of the Management.

### Details of Meeting of Independent Directors are as follows:

The Independent Directors met on 10<sup>th</sup> March 2026 and reviewed the performance of non – independent Directors and the Board of directors as a whole. They reviewed the performance of the Chairperson – considering of view of other Non – Independent Directors and assessed the quality, quantity, and timeliness of the flow of information between the company management and the Board.

| Sl. No. | Name of the Director | Number of Meeting | Attended |
|---------|----------------------|-------------------|----------|
| 01.     | A. Janakiraman       | 1                 | 1        |
| 02.     | Sujatha Jayarajan    | 1                 | 1        |
| 03.     | Drushti Desai        | 1                 | 1        |
| 04.     | Satish Narain Jajoo  | 1                 | 1        |

### A. II) Information On Board Of Directors On Other Listed Companies

| Sl. No. | Name of the Director    | No. of the Directorship in other listed Companies | Name of the listed entities in which he/she is director                          | Category of Directorship |
|---------|-------------------------|---------------------------------------------------|----------------------------------------------------------------------------------|--------------------------|
| 01.     | Sresh Krishnamurthi Rao | -                                                 | -                                                                                | -                        |
| 02      | C.S. Ramesh*            | -                                                 | -                                                                                | -                        |
| 03      | R. Mahendran            | -                                                 | -                                                                                | -                        |
| 04      | Nitin S. Cowlagi        | -                                                 | -                                                                                | -                        |
| 05      | Sujatha Jayarajan       | -                                                 | -                                                                                | -                        |
| 06      | Drushti Desai           | 3                                                 | 1. Amal Limited<br>2. Rashmi Peripherals Limited<br>3. Navneet Education Limited | Independent Director     |
| 07      | A. Janakiraman          | -                                                 | -                                                                                | -                        |
| 08      | Satish Narain Jajoo     | 1                                                 | Kesoram Industries Limited                                                       | Independent Director     |

\*Resigned from the office with effect from 31<sup>st</sup> July 2025.

### B. The Number Of Board Meetings Held During The Year Along With The Date Of The Meetings

During the Financial Year 2025-26, six meetings of the Board of Directors were held as under:

| Sl. No. | Date of Meeting               |
|---------|-------------------------------|
| 1.      | 14 <sup>th</sup> May 2025     |
| 2.      | 30 <sup>th</sup> May 2025     |
| 3.      | 16 <sup>th</sup> July 2025    |
| 4.      | 31 <sup>st</sup> July 2025    |
| 5.      | 31 <sup>st</sup> October 2025 |
| 6.      | 28 <sup>th</sup> January 2026 |

### C. Disclosure Of Relationships Between Directors Inter-Se

There are no inter-se relationships between Directors.

### D. Number Of Shares Held By Non – Executive Directors

| Sl. No. | Name of the Director    | Number of Shares holding by the NED |
|---------|-------------------------|-------------------------------------|
| 01.     | Sresh Krishnamurthi Rao | 14,24,423                           |
| 02      | C.S. Ramesh*            | 30                                  |
| 03      | R. Mahendran            | 0                                   |
| 04      | Nitin S. Cowlagi        | 56,142                              |
| 05      | Sujatha Jayarajan       | 0                                   |
| 06      | Drushti Desai           | 0                                   |
| 07      | A. Janakiraman          | 0                                   |
| 08      | Satish Narain Jajoo     |                                     |

\*Resigned from the office with effect from 31<sup>st</sup> July 2025.

## E. A Chart Or A Matrix Setting Out The Skills/ Expertise/Competence Of The Board Of Directors

Effective Governance includes establishing robust director competency frameworks that can be used by Boards to identify director skill gaps and ensure that the skills of the current directors are being properly utilized.

Building the right Board requires an understanding of director competencies, which involves consideration of the directors' experience, skills, attributes, and capabilities. Director competencies encompass two distinct areas:

- (i) Technical competencies; and
- (ii) Behavioral competencies.

**Technical competencies** are a director's technical skills and experiences such as accounting or legal skills, industry knowledge, experience in strategic planning and corporate governance.

**Behavioral competencies** are a director's capabilities and personal attributes and include, for example, linkages to the "ownership"; an ability to positively influence people and situations; an ability to assimilate and synthesize complex information; time availability; honesty and integrity; and high ethical standards.

Thus, the Board of Directors of your Company has identified the following list of core skills/expertise/competencies required for each Director(s) in the context of its business(es) and sector(s) for it to function effectively and assessed those available with the Board.

- (1) Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets, and
- (2) Monitoring the effectiveness of governance practices and making changes as needed.
- (3) Selecting, compensating, monitoring, and, when necessary, replacing key managerial personnel and overseeing succession planning.
- (4) Aligning key managerial personnel and remuneration of the Board of directors with the longer-term interests of the company and its shareholders.
- (5) Ensuring a transparent nomination process to the Board of directors ensuring diversity of thought, experience, knowledge, perspective, and gender in the Board of directors.
- (6) Monitoring and managing potential conflicts of interest between the management, members of the Board of directors, and shareholders, including misuse of corporate assets and abuse in related party transactions.
- (7) Ensuring the integrity of the company's accounting and financial reporting systems, including independent audit, and those appropriate systems of control are in place viz., systems for risk management, financial and operational control, and compliance with the law and relevant standards.
- (8) Overseeing the process of disclosure and communications.
- (9) Monitoring and reviewing Board of director's evaluation framework.

The following matrix table details the skills/expertise/competencies identified by the Board of Directors.

| Sl. No. | Name of the Directors    | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---------|--------------------------|---|---|---|---|---|---|---|---|---|
| 1       | Suresh Krishnamurthi Rao | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 2       | C.S. Ramesh              | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 3       | R. Mahendran             | ✓ | ✓ | ✓ | – | ✓ | ✓ | – | ✓ | – |
| 4       | Nitin S. Cowlagi         | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | – |
| 5       | A. Janakiraman           | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 6       | Sujatha Jayarajan        | ✓ | ✓ | ✓ | – | ✓ | ✓ | ✓ | ✓ | ✓ |
| 7       | Drushti Desai            | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 8       | Satish Narain Jajoo      | ✓ | ✓ | ✓ | – | ✓ | ✓ | ✓ | ✓ | ✓ |

## 3. AUDIT COMMITTEE

The Audit Committee of the Board of Directors of the Company was constituted in compliance with provisions of Section 177 of the Companies Act, 2013 ("the Act") and compliance with Regulation 18 of SEBI (LODR) Regulations, 2015.

Out of the total Five Members of the Audit Committee, four are Independent Directors and all the members have relevant finance exposure. The composition of the Committee is as stated below:

| S. No. | Name of the Member                                             | Description                       |
|--------|----------------------------------------------------------------|-----------------------------------|
| 1      | Mrs. Drushti Desai                                             | Chairperson, Independent Director |
| 2      | Mr. A. Janakiraman                                             | Member, Independent Director      |
| 3      | Mrs. Sujatha Jayarajan                                         | Member, Independent Director      |
| 4      | Mr. Satish Narain Jajoo<br>(w.e.f. 31 <sup>st</sup> July 2025) | Member, Independent Director      |
| 5      | Mr. Nitin S. Cowlagi                                           | Member, Non-Independent Director  |

The Statutory Auditors, Internal Auditors, Chief Executive Officer, Chief Financial Officer, and Company Secretary attend the meetings of the Audit Committee regularly by invitation. The terms of reference and scope of the Committee include:

- To recommend the appointment/removal of Auditors, fixing of audit fees, and approval of payments;
- To review and monitor the Auditor's independence, performance, and effectiveness of audit process, to examine the financial statements and auditor's report thereon, scrutiny of inter-corporate loans and investments;
- To approve or make any subsequent modification of transactions of the Company with related parties;
- To value the undertakings or assets of the Company, wherever it is necessary;
- To evaluate the internal financial controls and risk management systems;
- To monitor the end-use of funds raised through public offers and related matters.

The Audit Committee also abides by the terms of reference as specified under Part C of Schedule II of the SEBI (LODR) Regulations, 2015 including amendment of SEBI (LODR) Regulation 2018. The Audit Committee of the Company met five times during the year under review as indicated below:

| Sl. No. | Date of Meeting               |
|---------|-------------------------------|
| 1.      | 14 <sup>th</sup> May 2025     |
| 2.      | 31 <sup>st</sup> July 2025    |
| 3.      | 31 <sup>st</sup> October 2025 |
| 4.      | 28 <sup>th</sup> January 2026 |

During the Financial Year 2025-26, the Composition and attendance of the Members at the meetings of the Audit Committee are as follows:

| Name of the Member                                             | Status      | Category                   | No. of meetings attended |
|----------------------------------------------------------------|-------------|----------------------------|--------------------------|
| Mrs. Drushti Desai                                             | Chairperson | Independent Director       | 4                        |
| Mrs. Sujatha Jayarajan                                         | Member      | Independent Director       | 4                        |
| Mr. A. Janakiraman                                             | Member      | Independent Director       | 3                        |
| Mr. Satish Narain Jajoo<br>(w.e.f. 31 <sup>st</sup> July 2025) | Member      | Independent Director       | 2                        |
| Mr. Nitin S. Cowlagi                                           | Member      | Non - Independent Director | 3                        |

Mr. Bharatraj Panchal, Company Secretary and Compliance Officer of the Company acted as Secretary to the Audit Committee (w.e.f. 16.07.2025).

The Minutes of the meetings of the Audit Committee meetings are discussed and noted by the Board of Directors at their meetings.

#### 4. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Board of Directors of the Company were reconstituted in compliance with provisions of Section 178 of the Companies Act, 2013 ("the Act") and terms of Regulation 19 of SEBI (LODR) Regulations, 2015.

The terms of reference of the Committee include:

- Formulation of the criteria for determining the qualifications, positive attributes, and independence of a Director and recommend to the Board, a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees;

2. Formulation of the criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
5. Whether to extend or continue the term of appointment of an independent director, based on the report of the evaluation of the performance of the independent directors.

The Nomination and Remuneration Committee also abides by the terms of reference as specified under Part D of Schedule II of the SEBI (LODR) Regulations, 2015.

The composition of the Committee is as stated below:

| Sl. No. | Name of the Member                                      | Directors Category                |
|---------|---------------------------------------------------------|-----------------------------------|
| 1.      | Mrs. Drushti Desai                                      | Chairperson, Independent Director |
| 2.      | Mr. A. Janakiraman                                      | Member, Independent Director      |
| 3.      | Mr. C.S. Ramesh*                                        | Member, Non-Independent Director  |
| 4.      | Mr. Nitin S. Cowlagi (w.e.f 31 <sup>st</sup> July 2025) | Member, Non-Independent Director  |

\*Resigned from the office with effect from 31<sup>st</sup> July 2025.

Mr. Bharatraj Panchal, Company Secretary and Compliance Officer of the Company acted as Secretary to the Committee (w.e.f. 16.07.2025).

During the Financial Year 2025-26, the Nomination and Remuneration Committee of the Company met six times as indicated below:

| Sl. No. | Date of Meeting               |
|---------|-------------------------------|
| 1.      | 14 <sup>th</sup> May 2025     |
| 2.      | 30 <sup>th</sup> May 2025     |
| 3.      | 16 <sup>th</sup> July 2025    |
| 4.      | 31 <sup>st</sup> July 2025    |
| 5.      | 31 <sup>st</sup> October 2025 |
| 6.      | 28 <sup>th</sup> January 2026 |

The attendance of the members is as follows:

| Name of the Member                                      | Status      | Directors Category         | No. of meetings attended |
|---------------------------------------------------------|-------------|----------------------------|--------------------------|
| Mrs. Drushti Desai                                      | Chairperson | Independent Director       | 5                        |
| Mr. A. Janakiraman                                      | Member      | Independent Director       | 5                        |
| Mr. C.S. Ramesh*                                        | Member      | Non – Independent Director | 2                        |
| Mr. Nitin S. Cowlagi (w.e.f 31 <sup>st</sup> July 2025) | Member      | Non – Independent Director | 2                        |

\*Resigned from the office with effect from 31<sup>st</sup> July 2025.

The Remuneration Policy of your Company is available on the website of the company in the link [www.chemfabalkalis.com](http://www.chemfabalkalis.com). There are no pecuniary relationships or transactions between the Company and the Non – Executive Directors except Mr. Suresh Krishnamurthi Rao, who is a promoter.

## Non-Executive Directors' Compensation And Disclosures

Details of the sitting fees paid to the Non-Executive Directors and Commission paid to them with the approval of the shareholders during the year are given below:

| Sl. No. | Name of the Director     | Sitting Fees | Commission | Total (₹ In Lakhs) |
|---------|--------------------------|--------------|------------|--------------------|
| 01.     | Suresh Krishnamurthi Rao | -            | 200.00     | 200.00             |
| 02.     | C.S. Ramesh*             | 0.70         | 5.00       | 5.70               |
| 03.     | R. Mahendran             | 1.50         | 5.00       | 6.50               |
| 04.     | Sujatha Jayarajan        | 1.70         | 5.00       | 6.70               |
| 05.     | Drushti Desai            | 2.08         | 5.00       | 7.08               |
| 06.     | A. Janakiraman           | 1.90         | 5.00       | 6.90               |
| 07.     | Nitin S. Cowlagi         | 1.48         | 5.00       | 6.48               |
| 08.     | Satish Narain Jajoo      | 1.30         | -          | 1.30               |

\*Resigned from the office with effect from 31<sup>st</sup> July 2025.

## Disclosure Of Remuneration

|   |                                                                                                                                                            |     |
|---|------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| A | All elements of remuneration package of individual Directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension, etc | NIL |
| B | Details of a fixed component and performance-linked incentives along with the performance Criteria                                                         | NIL |
| C | Service contracts, notice period, severance fees                                                                                                           | NIL |
| D | Stock Option details, if any - and whether issued at a discount as well as the period over which accrued and over which exercisable                        | NIL |

### Performance evaluation criteria for Independent Directors

Performance of Independent Directors are assessed, based on their Attendance, preparedness, and active participation in the discussions at the Meetings, valuable suggestions provided by them for improvement of business decisions and Statutory Compliances, visit the Factory, attending Seminars and in-house programs on familiarization, etc.,

### Criteria for making payments to Non-Executive Directors

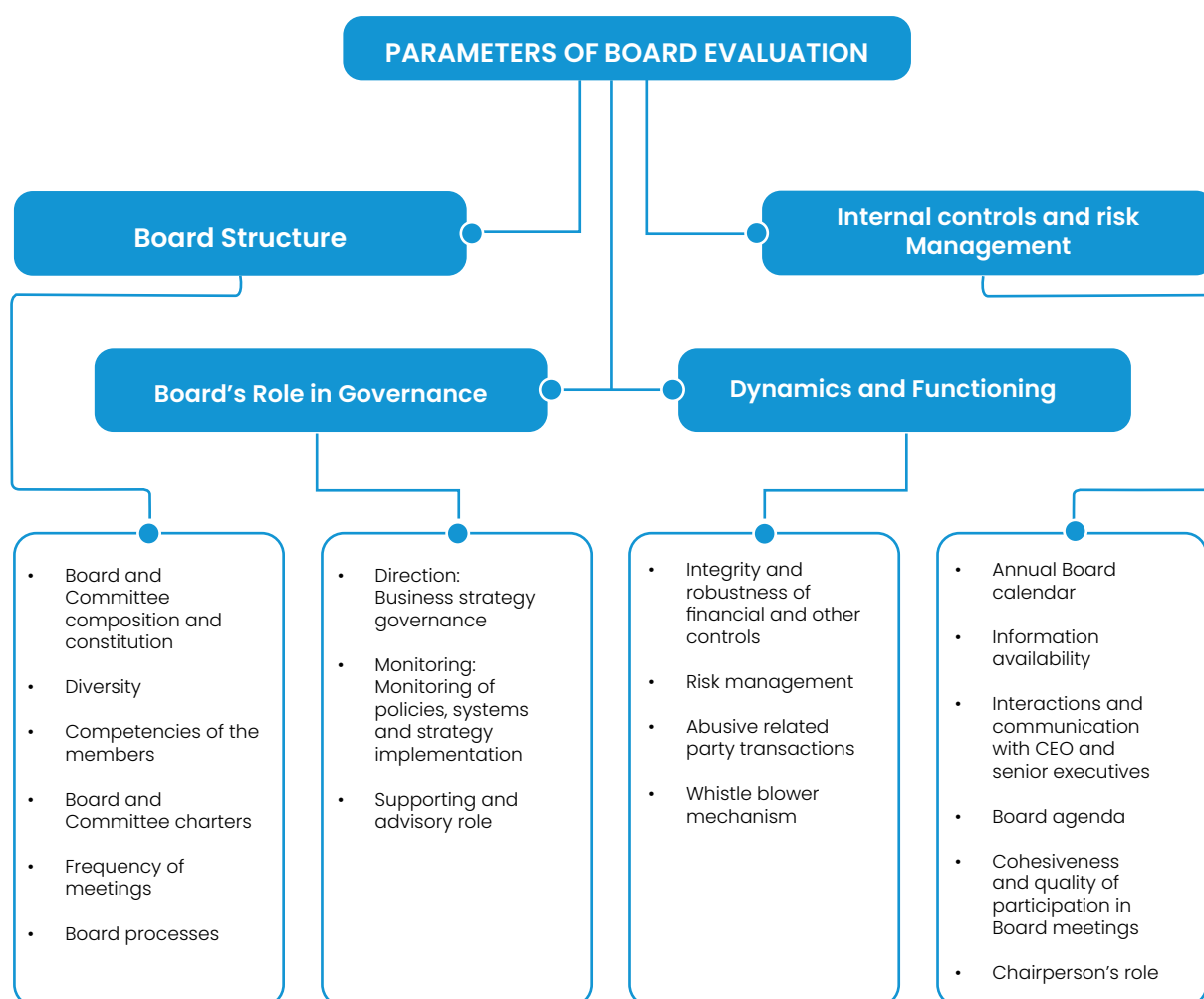
Payments are made based on the performance and contributions of the Non-Executive Directors as per the details provided under the Nomination & Remuneration Policy of the Company.

### Overall Board Evaluation

The Board evaluation is a process of evaluating the entire Board on its performance and it also provides an independent assessment of the strengths and capabilities of the Board, its committees, and directors.

Thus, an evaluation will:

- assess the balance of skills within the Board.
- identify attributes required for new appointments.
- review practices and procedures to improve efficiency and effectiveness.
- review practices and procedures of the Board's decision-making processes and recognize the Board's outputs and achievements.



Your company had evaluated the Board of Directors in the following major areas:

1. Evaluation of the Board as a Whole
2. Evaluation of the Committees
3. Evaluation of Individual Directors/Self -Assessment
  - Independent Directors
  - Non-executive Directors
4. Evaluation of the Chairperson

The Nomination and Remuneration Committee of the Board evaluated the Directors by a method of collecting data through questionnaires distributed to the Directors on 25<sup>th</sup> February, 2026.

The following five-based ranking scale was used against each question and the directors were asked to rate each parameter.

| <b>Strongly Disagree</b> | <b>Disagree</b> | <b>No opinion</b> | <b>Agree</b> | <b>Strongly Agree</b> |
|--------------------------|-----------------|-------------------|--------------|-----------------------|
| 1                        | 2               | 3                 | 4            | 5                     |

The questionnaire broadly covered the following areas:

| <b>Evaluation of the Board as a Whole</b>                                                                                                                                                                                                                                                                                                                                    | <b>Director Self Assessment</b>                                                                                                       | <b>Non-Executive Director And Independent Director Evaluation Form</b>                                                                                                                         | <b>Evaluation of Board Committees</b>                                                                                                                 | <b>Chairperson Assessment</b>                                                                   |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• Structure of the Board and the quality</li> <li>• Board Meetings and Procedures</li> <li>• Board Development</li> <li>• Board Strategy and Risk Management</li> <li>• Governance and Compliance</li> <li>• Board and Management Relations</li> <li>• Succession Planning</li> <li>• Stakeholder value and responsibility</li> </ul> | <ul style="list-style-type: none"> <li>• Knowledgeable</li> <li>• Diligence &amp; Participation</li> <li>• Leadership Team</li> </ul> | <ul style="list-style-type: none"> <li>• Participation at the Board/committee meeting</li> <li>• Managing Relationship</li> <li>• Knowledge and skill</li> <li>• Personal attribute</li> </ul> | <ul style="list-style-type: none"> <li>• Functions and Duties</li> <li>• Managing Relationship</li> <li>• Committee Meeting and Procedures</li> </ul> | <ul style="list-style-type: none"> <li>• Managing Relationship</li> <li>• Leadership</li> </ul> |

The committee obtained responses from the individual directors, collated them, and reported the same to the Chairperson to analyze the results. The evaluation process was discussed at the meeting of the Independent Directors held on 10<sup>th</sup> March 2026.

This method of the evaluation helped the Board to understand the effectiveness of the Board, individual director's contribution in strategic decision making, participation in Board and Committee meetings, communication and interpersonal skills of the directors, ethical issues and dilemmas faced by the director, and relationship of the director with the senior management.

The Board also evaluated the performance of the following committees.

1. Audit Committee
2. Corporate Social Responsibility Committee
3. Nomination and Remuneration Committee and
4. Stakeholders Relationship Committee

Thus, your company has in system in place for the formal evaluation by the Board of its performance and that of its committees and individual directors.

During the Financial Year 2025-26, the Committee met Four times:

| Sl. No. | Date of Meeting               |
|---------|-------------------------------|
| 1.      | 14 <sup>th</sup> May 2025     |
| 2.      | 31 <sup>st</sup> July 2025    |
| 3.      | 31 <sup>st</sup> October 2025 |
| 4.      | 28 <sup>th</sup> January 2026 |

The composition and attendances of the members of the committee are as follows:

| Name of the Member                                            | Status      | Directors' Category        | No. of meetings attended |
|---------------------------------------------------------------|-------------|----------------------------|--------------------------|
| Mrs. Drushti Desai                                            | Chairperson | Independent Director       | 4                        |
| Mr. C.S. Ramesh*                                              | Member      | Non - Independent Director | 1                        |
| Mr. Suresh Krishnamurthi Rao                                  | Member      | Non - Independent Director | 4                        |
| Mr. Satish Narain Jajoo<br>(w.e.f 31 <sup>st</sup> July 2025) | Member      | Independent Director       | 2                        |

\*Resigned from the office with effect from 31<sup>st</sup> July 2025.

Mr. Bharatraj Panchal, Company Secretary and Compliance Officer of the Company acted as Secretary to the Committee and also holds the position of Compliance Officer of the Company (w.e.f. 16.07.2025).

## 5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Committee takes care of the relations with the Stakeholders of the Company. It looks into and redresses the Shareholders' complaints relating to delay in transfer of shares and non-receipt of annual report/dividend warrants, oversees the performance of the Registrars & Transfer Agents, and recommends measures for overall improvements in the quality of investor services and investor relations.

The Stakeholders' Relationship Committee abides by the terms of reference as specified under Part D of Schedule II of the SEBI (LODR) Regulations, 2015.

As of 31<sup>st</sup> March 2026, there were no Shareholders' complaints pending redressal.

|                                                                      |     |
|----------------------------------------------------------------------|-----|
| Number of Shareholders complaints received during the Financial Year |     |
| Number of Complaints not solved to the satisfaction of shareholders  | NIL |
| Number of pending Complaints                                         | NIL |

## 6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

| Sl. No. | Name of the Member                                                                    | Designation                                  |
|---------|---------------------------------------------------------------------------------------|----------------------------------------------|
| 1.      | Mrs. Sujatha Jayarajan<br>(Appointed as Chairperson w.e.f 31 <sup>st</sup> July 2025) | Chairperson, Independent Director            |
| 2.      | Mr. C.S. Ramesh*                                                                      | Former Chairperson, Non Independent Director |
| 3.      | Mr. R. Mahendran                                                                      | Member, Non - Independent Director           |
| 4.      | Mr. Nitin S. Cowlagi                                                                  | Member, Non - Independent Director           |
| 5.      | Mr. A. Janakiraman                                                                    | Member, Independent Director                 |
| 6.      | Mr. Satish Narain Jajoo (w.e.f 31 <sup>st</sup> July 2025)                            | Member, Independent Director                 |

\*Resigned from the office with effect from 31<sup>st</sup> July 2025.

Mr. Bharatraj Panchal, Company Secretary and Compliance Officer of the Company acted as Secretary to the Committee (w.e.f. 16.07.2025).

During the Financial Year 2025-2026, the Committee met four times on:

| Sl. No. | Date of Meeting               |
|---------|-------------------------------|
| 1.      | 14 <sup>th</sup> May 2025     |
| 2.      | 31 <sup>st</sup> July 2025    |
| 3.      | 31 <sup>st</sup> October 2025 |
| 4.      | 28 <sup>th</sup> January 2026 |

The attendance of the members is as follows:

| Sl. No. | Name of the Member                                            | Status             | Directors' Category      | No. of meetings attended |
|---------|---------------------------------------------------------------|--------------------|--------------------------|--------------------------|
| 1       | Mrs. Sujatha Jayarajan                                        | Chairperson        | Independent Director     | 4                        |
| 2.      | Mr. C.S. Ramesh*                                              | Former Chairperson | Non Independent Director | 1                        |
| 3.      | Mr. R. Mahendran                                              | Member             | Non Independent Director | 4                        |
| 4.      | Mr. Nitin S. Cowlagi                                          | Member             | Non Independent Director | 4                        |
| 5.      | Mr. A. Janakiraman                                            | Member             | Independent Director     | 3                        |
| 6.      | Mr. Satish Narain Jajoo<br>(w.e.f 31 <sup>st</sup> July 2025) | Member             | Independent Director     | 2                        |

\*Resigned from the office with effect from 31<sup>st</sup> July 2025.

Mr. Bharatraj Panchal, Company Secretary and Compliance Officer of the Company acted as Secretary to the Committee (w.e.f. 16.07.2025).

## 7. RISK MANAGEMENT COMMITTEE

The Board of Directors of the Company has constituted a Risk Management Committee on 26.04.2017 pursuant to the amalgamation of erstwhile Chemfab Alkalies Limited, though the constitution of such Committee applies only to the top 1000 listed companies in terms of market capitalization.

The Risk Management Committee assists the Board in drawing up, implementing, monitoring, and reviewing the Risk Management Plan. The Committee lays down the Risk Assessment and Minimization Procedures and it reviews the Procedures periodically to ensure that the Executive Management controls the risks through a properly defined framework.

The Composition of the Members of the Risk Management Committee as on March 31, 2026 are as follows:

| Sl. No | Name of the Member  | Status   | Directors' Category        |
|--------|---------------------|----------|----------------------------|
| 1.     | Mr. A. Janakiraman  | Chairman | Independent Director       |
| 2.     | Mrs. Drushti Desai  | Member   | Independent Director       |
| 3.     | Mr. R. Mahendran    | Member   | Non - Independent Director |
| 4.     | Mr. V.M. Srinivasan | Member   | Chief Executive Officer    |

Mr. Bharatraj Panchal, Company Secretary and Compliance Officer of the Company acted as Secretary to the Committee (w.e.f. 16.07.2025).

## 8. ANNUAL GENERAL MEETINGS

i. The details of the last three Annual General Meetings of the Company held are given below:

| Year      | Location        | Date                            | Time      | No. of Special Resolution Passed |
|-----------|-----------------|---------------------------------|-----------|----------------------------------|
| 2022-2023 | Through VC/OVAM | 29 <sup>th</sup> August 2023    | 10:00 A.M | Two                              |
| 2023-2024 | Through VC/OVAM | 20 <sup>th</sup> September 2024 | 10:00 A.M | Two                              |
| 2024-2025 | Through VC/OVAM | 12 <sup>th</sup> September 2025 | 10:00 A.M | Three                            |

Whether any special resolution passed last year through postal ballot – Details of voting pattern – NA

Person who conducted the postal ballot exercise – NA

Procedure for postal ballot – NA

### Extraordinary General Meeting

During the year there was no Extra Ordinary General meeting.

### Means Of Communication

|                                                               |                                                                                                                                |
|---------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|
| Quarterly Results                                             | Publish in the Stock Exchanges website, as well as Newspaper having wide circulation and Company's website                     |
| Newspapers wherein results normally published                 | 1. Business Standard<br>2. Makkal Kural                                                                                        |
| Website, where displayed                                      | <a href="http://www.chemfabalkalis.com">www.chemfabalkalis.com</a>                                                             |
| Presentations made to institutional investors or the analysts | The Company has not made any presentation to investors or analysis during the financial year ended 31 <sup>st</sup> March 2026 |

## 9. GENERAL SHAREHOLDERS INFORMATION

|                                                                                                                           |                                                                                                                                                                                                                                                                                                             |                                |
|---------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|
| <b>REGISTERED OFFICE</b>                                                                                                  | Team House, GST Salai Vandalur, Chennai – 600 048<br>Phone: +91-44-22750323/324; Fax: +91-44-22750860<br>Email: <a href="mailto:cosecy@ccal.in">cosecy@ccal.in</a> website: <a href="http://www.chemfabalkalis.com">www.chemfabalkalis.com</a>                                                              |                                |
| <b>ANNUAL GENERAL MEETING, DATE OF BOOK CLOSURE &amp; DIVIDEND PAYMENT DATE</b>                                           | E- Annual General Meeting has been fixed on Wednesday, September 09, 2026<br>Book Closure starts from Thursday, 03 <sup>rd</sup> September 2026 to Wednesday, 09 <sup>th</sup> September 2026(both days inclusive). The dividend will be paid within 7 days from the date of the E- Annual General Meeting. |                                |
| <b>FINANCIAL CALENDAR (TENTATIVE)</b> Covering the period from 01 <sup>st</sup> April 2026 to 31 <sup>st</sup> March 2027 | 1 <sup>st</sup> QTR Results                                                                                                                                                                                                                                                                                 | 14 <sup>th</sup> August 2026   |
|                                                                                                                           | 2 <sup>nd</sup> QTR Results                                                                                                                                                                                                                                                                                 | 12 <sup>th</sup> November 2026 |
|                                                                                                                           | 3 <sup>rd</sup> QTR Results                                                                                                                                                                                                                                                                                 | 12 <sup>th</sup> February 2027 |
|                                                                                                                           | 4 <sup>th</sup> QTR (Annual Results)                                                                                                                                                                                                                                                                        | 27 <sup>th</sup> May 2027      |

### Listing Equity Shares On The Stock Exchanges:

| STOCK EXCHANGE WHERE SHARES ARE LISTED                                                                                               | SCRIP CODE/No.'s |
|--------------------------------------------------------------------------------------------------------------------------------------|------------------|
| DEMAT ISIN IN NSDL AND CDSL FOR EQUITY SHARES                                                                                        | INE783X01023     |
| BSE LTD (BSE) 5 <sup>th</sup> Floor, P.J. Towers, Dalal Street, Mumbai, Maharashtra, 400001, India                                   | 541269/Shares    |
| NATIONAL STOCK EXCHANGE OF INDIA LIMITED (NSE) C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai, Maharashtra, 400051, India | CHEMFAB/Shares   |

## Listing Equity Shares On The Stock Exchanges: (Contd.)

|                                                                            |                                                                                                                                                                                                                                                                                                       |
|----------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| REGISTRAR AND SHARE TRANSFER AGENT                                         | Cameo Corporate Services Ltd, Subramanian Building,<br>1 Club House Road, Chennai – 600 002.<br>Phone No.044 2846 0390/2846 0395 Fax: 044 2846 0129<br>Email: <a href="mailto:cameo@cameoindia.com">cameo@cameoindia.com</a><br>Website: <a href="http://www.cameoonline.net">www.cameoonline.net</a> |
| Whether the securities were suspended from trading during the Year 2025-26 | The Equity shares of the Company were not suspended at any point of the time during the year 25-26 and also till the date of the report                                                                                                                                                               |

### Distribution Of Shareholding – Distribution Of Holdings – As On 31.3.2026

| Sl. No.      | Amount(In ₹)     | No. of Cases | % of Cases | Total Shares    | Amount (In ₹)    | % of Amount |
|--------------|------------------|--------------|------------|-----------------|------------------|-------------|
| 1            | 1-5000           | 10070        | 89.6306    | 807552          | 8075520          | 5.6183      |
| 2            | 5001-10000       | 628          | 5.5897     | 464142          | 4641420          | 3.2291      |
| 3            | 10001-20000      | 299          | 2.6613     | 427688          | 4276880          | 2.9755      |
| 4            | 20001-30000      | 77           | 0.6854     | 194728          | 1947280          | 1.3548      |
| 5            | 30001-40000      | 32           | 0.2848     | 112978          | 1129780          | 0.786       |
| 6            | 40001-50000      | 36           | 0.3204     | 163319          | 1633190          | 1.1362      |
| 7            | 50001-100000     | 54           | 0.4806     | 348394          | 3483940          | 2.4238      |
| 8            | 100001-And above | 39           | 0.3471     | 11854901        | 118549010        | 82.4763     |
| <b>Total</b> |                  | <b>11235</b> | <b>100</b> | <b>14373702</b> | <b>143737020</b> | <b>100</b>  |

### Share Transfer System

A Committee of the Board has authorized the Company Secretary for approval of Share Transfer/ transmission in the physical form and the same is reported to the Committee at its Meeting held every quarter.

### 10. DETAILS OF UNCLAIMED SHARES

The erstwhile Listed Company Chemfab Alkalies Limited which was amalgamated with the Company had sent the reminders to vide letters to all the Shareholders whose Share Certificates were returned undelivered. The Company transferred the Shares comprised in the Share Certificates, which were remaining undelivered into one Folio in the name of Chemfab Alkalies Limited Unclaimed Suspense Account.

Further, the Company opened an account viz., Chemfab Alkalies Limited Unclaimed Suspense Account (Demat account) and dematerialized the shares to that account. The details of unclaimed shares are given below:

- the aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year -22 shareholders having 8423 Equity Shares.
- the number of shareholders who approached the listed entity for transfer of shares from suspense account during the year – Nil.
- number of shareholders to whom shares were transferred from suspense account during the year – Nil.

- the aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year - 22 shareholders having 8423 Equity Shares.

The voting rights on these Unclaimed shares shall remain frozen till the rightful owners of such shares claim the shares.

### 11. DETAILS OF UNCLAIMED DIVIDEND AND THE SHARES TRANSFERRED TO IEPF

Pursuant to the provisions of Sec. 124(5) of the Companies Act 2013, the unclaimed dividends pertaining to the dividend paid for the financial year 2018-2019, which remains as unpaid or unclaimed for seven years from the date of such transfer in “Unpaid-Unclaimed Dividend Account” will be credited to the Fund established under sub-section (1) of section 125 (i.e., Investor Education and Protection Fund).

Further, in pursuant to provisions of Sec.124 (6) of the Companies Act 2013, 8670 shares in respect of which dividend has not been paid or claimed for seven consecutive years, will also be transferred to Investor Education and Protection Fund.

### Dematerialisation Of Shares

The Company has appointed M/s Cameo Corporate Services Ltd., as the Registrars of the Company for establishing connectivity with NSDL and CDSL to facilitate dematerialization of the shares held by the Members.

As of 31.03.2026, 97.94 % of Equity Shares have been dematerialized.

## Outstanding Gdr/Adr Warrants Or Convertible Bonds

The Company has not issued any of the securities mentioned above.

The Company has not raised any funds as share capital during the FY 2025-26 through preferential allotment or qualified institutional placement.

## Plant Location

|                           |                                                                                                                                  |
|---------------------------|----------------------------------------------------------------------------------------------------------------------------------|
| <b>CHLOR ALKALI PLANT</b> | Gnanananda Place', Kalapet, Puducherry 605014                                                                                    |
| <b>PVC-O PIPES PLANT</b>  | 650, Chigurupalem Road, Sri City, Andhra Pradesh 517646                                                                          |
| <b>SALT FIELD</b>         | 1. Kanthadu Village, Marakanam Post, Villupuram District, Tamil Nadu<br>2. Mariyur Salai, Sayalkudi, Ramnad District, Tamil Nadu |

## CREDIT RATING DISCLOSURES

| CARE                       | 2025-26                  | 2024-2025     | 2023-2024       |
|----------------------------|--------------------------|---------------|-----------------|
| Long term Bank Facilities  | IND BBB+/Negative/IND A2 | IND A-/Stable | CARE A - Stable |
| Short term Bank Facilities | IND BBB+/Negative/IND A2 | IND A2+       | CARE A2+        |

## 12. OTHER DISCLOSURES:

### a. Related party transactions

During the year have been disclosed as required under IND AS 24. The transactions are not prejudicial to the interests of the Company.

#### Please refer to the Weblink

<https://chemfabalkalis.com/wp-content/uploads/2019/04/policies-Policy-for-Materiality-of-Related-Parties-Transaction.pdf> of the Company.

**b.** No strictures/penalties have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authorities on any matter related to the capital market during the last three years except for Fine amount of ₹ 3,56,000/- imposed by NSE and paid under protest.

### c. Quarterly Compliance report

The Company has submitted its Integrated Filing (Governance) as the prescribed format to the BSE Ltd and National Stock Exchange within 30 days from the end of each quarter.

## d. Disclosure on Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place Prevention of Sexual Harassment Policy (POSH) in line with the requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Internal Complaint Committee (ICC) has been set up to redress the complaints received in connection with sexual harassment in any form.

All employees (permanent, contractual, temporary, trainees) are covered under this policy.

- Number of complaints filed during the financial year - NIL
- Number of complaints disposed of during the financial year - NIL
- Number of complaints pending as of the end of the financial year - NIL

**e. Details of non - compliance of the company, penalties, and stricture imposed on the listed entity by the stock exchange(s) of SEBI or any statutory authority, or any matter related to capital markets, during the last three years except for fine imposed by NSE and BSE of ₹ 4,20,080 (including GST) each for non-compliance of Regulation 17(1) (b) of SEBI LODR for the period w.e.f April 01, 2025 to May 29, 2025, the listed entity had 3 independent directors out of total 7 directors**

- As per Regulation 17(1) (b) of SEBI LODR, where the regular non-executive chairperson is a promoter of the listed entity, at least half of the board of directors of the listed entity shall consist of independent directors.

"During the period from April 01, 2025 to May 29, 2025, the listed entity had 3 independent directors out of total 7 directors."

**Response from the Board of Directors:** The listed entity has complied with said regulation 17(1) (b) of SEBI LODR by appointing one more independent director in the Board w.e.f May 30, 2025.

- As per Regulation 17(1C) (a) of SEBI LODR, the listed entity shall ensure that approval of shareholders for appointment or reappointment of a person on the board of directors or as a manager is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier.

There was 12 days delay in obtaining approval of shareholders for appointment of Mr. Satish Narain Jajoo (DIN- 07524333) as an Non- Executive – Independent Director. In this regard, NSE sought clarification for Corporate Governance Report for the quarter ended September 2025.

**Response from the Board of Directors:** The listed entity has submitted its response to the clarification and data requested by NSE during the period under review which was duly accepted with no further clarification or action required by NSE till date.

**e. The Company has established a vigil mechanism,** also called the Whistle Blower Policy which is adopted for Directors and Employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's Code of Conduct or Ethics Policy. It provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. No person has been denied access to the Audit Committee till now.

#### f. Accounting Treatment

In the preparation of the financial statements, IND AS and corresponding principles and policies were followed. The Company has followed the applicable mandatory Indian Accounting Standards prescribed under the Companies Act, 2013 in the preparation of the Annual Standalone and Consolidated Financial Statements.

#### g. Board Disclosures – Risk Management

The main objective of Risk Management is risk reduction and avoidance as also to help the Company identify the risks faced by the business and optimize the risk management strategies. The Company has a defined risk management framework.

#### h. Code of Conduct

The Company has adopted a Code of Conduct for the Members of the Board of Directors and the

Senior Management Personnel of the Company. The said Code of Conduct is available in the below Weblink <https://chemfabalkalis.com/wp-content/uploads/2023/03/Code-of-Conduct-for-Directors-and-Senior-Management.pdf>

The Company is Board-managed and there is no Managing/Whole-time Director/Manager. The Board of Directors has authorized the CEO, to make a declaration on compliance with the Code of Conduct by all the Board Members and the Senior Management Personnel.

A Compliance Report on the Code of Conduct given by the CEO, authorized on this behalf by the Board, is given at the end of this Report.

The Company has adopted the discretionary requirements as per Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by adopting some of the requirements viz., separate posts of Chairperson and CEO and reporting of Internal Auditor directly to the Audit Committee under part – E of Schedule II.

The Company has not adopted non-mandatory requirements as per the Regulations of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### i. Disclosure of material transactions to the Board by the Senior Management

The senior management personnel gives disclosure on annual basis to the Board for all material financial and commercial transactions, where they have personal interests that may have a potential conflict with the interest of the Company at large. As per the disclosures received, no such transactions have taken place during the financial year 2025 – 2026.

#### j. Recommendation of the Committee

There are no such incidents or events where the board had not accepted any recommendation of any committee of the board, which is mandatorily required, in the reporting financial year.

#### k. Details of Auditor's Remuneration

| Sl. No. | Particulars            | Standalone ₹ in lakhs | Consolidated ₹ in lakhs |
|---------|------------------------|-----------------------|-------------------------|
| 1.      | Statutory Audit Fees   | 19.50                 | 25.00                   |
| 2.      | Limited Review Fees    | 4.50                  | 4.50                    |
| 3.      | Others                 | 8.00                  | 8.00                    |
| 4.      | Out of Pocket Expenses | 0.96                  | 1.04                    |
|         | <b>Total</b>           | <b>32.96</b>          | <b>38.54</b>            |

#### l. Subsidiary details

Your Company has a wholly-owned subsidiary namely '**Chemfab Karaiikal Limited**' (Formerly known as '**Chemfab Alkalys Karaikal Limited**') which is engaged in the business of manufacturing Aluminum Chloride. In accordance with the SEBI (LODR) Regulation 2015, '**Chemfab Karaiikal Limited**' is a "material subsidiary". During the year under review, your Company has changed the name of this wholly-owned subsidiary from "**CHEMFAB ALKALYS KARAIKAL LIMITED**" to "**CHEMFAB KARAIKAL LIMITED**" with effect from 3<sup>rd</sup> December, 2025 which was approved by Registrar of Companies, Central Processing Centre.

Further during the year under review, your company has incorporated another Wholly owned subsidiary company named '**Chemfab Hiitech Piping Limited**' (CIN: U22191TN2025PLC186167) on 28<sup>th</sup> October, 2025. The Company was incorporated with an objective of manufacturing, buying, selling, importing and exporting high quality OPVC (Oriented Polyvinyl Chloride) pipes of all sizes and varieties and fittings used in agricultural, engineering, electrical and mechanical industries and allied business activities.

The web-link for determining material subsidiary is provided in the web link - <https://chemfabalkalis.com/wp-content/uploads/2026/06/Framework-for-determining-material-subsiidiary.pdf>

### **m. Commodity price risk or foreign risk and hedging activities**

The Company does not have commodity price risk nor does the Company engage in hedging activities.

### **n. Loans and advances by the Company or its subsidiary in which directors are interested**

Nil

## **13. CEO/CFO CERTIFICATION**

The Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) of the Company have certified to the Board on financial and other matters in accordance with Regulation 17(8) read with Part-B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **Address For Correspondence**

**Mr. Bharatraj Panchal**  
Company Secretary and Compliance Officer  
Chemfab Alkalys Limited  
Team House, GST Salai, Vandalur,  
Chennai – 600 048 Phone: +91-44-22750323  
Email: [cosecy@ccal.in](mailto:cosecy@ccal.in)  
website: [www.chemfabalkalis.com](http://www.chemfabalkalis.com)

**Mr. S Prasath**  
Chief Financial Officer  
Chemfab Alkalys Limited  
'Gnananada Place'  
Puducherry – 605014  
Email: [prasath@ccal.in](mailto:prasath@ccal.in)  
website: [www.chemfabalkalis.com](http://www.chemfabalkalis.com)

For and on behalf of the Board of Directors of  
**CHEMFAB ALKALIS LIMITED**

**Date:** 29<sup>th</sup> July 2026  
**Place:** Chennai

**Suresh Krishnamurthi Rao**  
Chairperson  
DIN: 00127809

## **DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT**

I hereby confirm that:

The company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended 31<sup>st</sup> March 2026.

**Date:** 29<sup>th</sup> July 2026  
**Place:** Chennai

**V.M. Srinivasan**  
Chief Executive Officer

# Annexure – I

## COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members of **CHEMFAB ALKALIS LIMITED**,  
Chennai.

We, M Damodaran & Associates LLP, Practicing Company Secretaries have examined the compliance of the conditions of Corporate Governance by CHEMFAB ALKALIS LIMITED (CIN: L24290TN2009PLC071563), Chennai for the financial year ended on March 31, 2026, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of Regulation 46(2), and paragraphs C, D and E of Schedule V of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

The compliance of the conditions of corporate governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the Listing Regulations during the financial year ended March 31, 2026 except for non-compliance with Regulation 17(1)(b) & Regulation 17(1C)(a). However, the Company has subsequently complied with the requirements of Regulation 17(1)(b) and submitted its clarification and data sought under Regulation 17(1C)(a) by NSE during the period under review which was duly accepted by NSE with no further clarification or action required till date.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **M DAMODARAN & ASSOCIATES LLP**

**Place:** Chennai  
**Date:** May 13, 2026

**KALAIYARASI JANAKIRAMAN**  
Partner  
Membership No.: 29861  
COP. No.: 19385  
FRN: L2019TN006000  
PR 3847/2023  
ICSI UDIN: A029861H000346067

# Annexure – J

## COMPLIANCE CERTIFICATE

**For the Financial Year ended March 31, 2026**

[Pursuant to Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

To,  
The Members,  
**Chemfab Alkalys Limited**  
Chennai.

We, M Damodaran & Associates LLP, Secretarial Auditors of M/s. Chemfab Alkalys Limited (CIN - L24290TN2009PLC071563) ("the Company") having its Registered Office at Team House, GST Salai, Vandalur, Chennai - 600 048 have been requested by the Company to issue certificate under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as "the Regulations") for the financial year ended March 31, 2026.

### Management Responsibility

It is the responsibility of the Management of the Company to implement Chemfab Alkalys Employees' Stock Option Scheme 2020 (hereinafter referred to as the "Scheme"), as amended from time to time, including designing, maintaining records and devising proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### Verification

The Company has implemented the Scheme in accordance with the applicable Regulations and the Special Resolution passed by the members of the Company at the General Meetings held on July 29, 2020 and September 12, 2025 respectively.

For the purpose of verifying the compliance of the Regulations, the following documents/information were placed before us for examination:

1. The Scheme;
2. Articles of Association of the Company;
3. Resolutions passed at the meetings of the Board of Directors on ESOP matters;

4. Shareholders resolutions passed at the General Meetings;
5. Minutes of the meetings of the Nomination and Remuneration Committee;
6. Relevant provisions of the Regulations, Companies Act, 2013 and Rules made thereunder;
7. Such other information and documents which we considered necessary for the purpose of issuing this certificate.

### Certification

In our opinion and to the best of our knowledge and according to the verifications as considered necessary and explanations furnished to us by the Company and its Officers, we certify that the Company has implemented the Scheme in accordance with the applicable provisions of the Regulations and in accordance with the resolution passed by the Members of the Company at the General Meetings.

### Assumption & Limitation of Scope and Review:

1. Ensuring the authenticity of documents and information furnished is the responsibility of the Board of Directors of the Company.
2. Our responsibility is to issue certificate based upon our examination of relevant documents and information. It is neither an audit nor an investigation.
3. 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.
4. This certificate is solely for your information and it is not to be used, circulated, quoted, or otherwise referred to for any purpose other than for the Regulations.

For **M DAMODARAN & ASSOCIATES LLP**

**Place:** Chennai  
**Date:** May 13, 2026

**KALAIYARASI JANAKIRAMAN**  
Partner  
Membership No.: 29861  
COP. No.: 19385  
FRN: L2019TN006000  
PR 3847/2023  
ICSI UDIN: A029861H000346100

# Independent Auditor's Report

## To The Members of Chemfab Alkalies Limited

Report on the Audit of the Standalone Financial Statements

### OPINION

We have audited the accompanying standalone financial statements of **Chemfab Alkalies Limited** (the "Company"), which comprise the Balance Sheet as at 31 March 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of 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 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, its profit and other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA's") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 ("ICAI") 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### KEY AUDIT MATTERS

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. We have determined that there are no key audit matters to communicate in our report.

### INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and analysis, Board's report including annexures to the Board's report and Corporate Governance, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The Management Discussion and analysis, Board's report including annexures to the Board's report and Corporate Governance is expected to be made available to us after the date of this auditor's report.
- Our opinion on the standalone financial statements does not cover the other information and will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the Management Discussion and analysis, Board's report including annexures to the Board's report and Corporate Governance, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 The Auditor's responsibilities Relating to Other Information.

### RESPONSIBILITIES OF MANAGEMENT AND BOARD OF DIRECTORS FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is 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 financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in

India, including 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, 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 intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### AUDITOR'S RESPONSIBILITY 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 financial controls 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 standalone 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.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.

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

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

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

our independence, and where applicable, related safeguards.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for not keeping backup on a daily basis of such books of account maintained in electronic mode (with regards to payroll) in a server physically located in India (refer Note 51(xiii) to the standalone financial statements) and not complying with the requirement of audit trail as stated in (i)(vi) below.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant 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 31 March 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 modifications relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above.
  - g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 38 to the standalone financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been a delay in transfer of amounts, required to be transferred, to the Investor Education and Protection Fund by the Company of Rs. 2.87 Lakhs which has not yet been transferred to said fund - Refer Note 26 to the standalone financial statements.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 51(viii) to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 51(ix) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly

or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 50 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. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

- vi. Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended 31 March 2026 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems except that in

respect of a software managed by a third party software service provider for maintaining payroll records by the management,

- a) the feature of recording audit trail (edit log) facility was not enabled for two days (from 01 April 2025 to 02 April 2025).
- b) in the absence of an independent auditor's report covering the audit trail requirement for the audit/examination period from 01 January 2026 to 31 March 2026, we are unable to comment whether the audit trail feature of the said software was enabled and operated for the audit period 01 January 2026 to 31 March 2026, for all relevant transactions recorded in the software related to payroll or whether there was any instance of the audit trail feature been tampered with.

Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention (from 1 April 2023) for the software system where the audit trail was enabled and operating. (Refer Note 51 (xiii) to the financial statements).

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Place:** Chennai  
**Date:** 13 May 2026

**P Usha Parvathy**  
Partner  
Membership No.: 207704  
UDIN: 26207704SVCRRQ4142

# ANNEXURE "A"

## TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls with reference to standalone financial statements of **Chemfab Alkalies Limited** (the "Company") as at 31 March 2026 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

### MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on internal control with reference to standalone 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. 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone 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 standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 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 standalone financial statements.

### MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

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

## INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2026, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Place:** Chennai

**Date:** 13 May 2026

**P Usha Parvathy**

Partner

Membership No.: 207704

UDIN: 26207704SVCRQQ4142

# ANNEXURE "B"

## TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and capital work in progress.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of verification of property, plant and equipment and capital work in progress, so as to cover all the items once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were due for verification and were physically verified during the year by the Management. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) Based on the examination of the registered sale deed provided to us, we report that, the title deeds of all the immovable properties, (other than those that have been taken on lease) disclosed in the financial statements included in property, plant equipment, capital work-in progress and non-current assets held for sale are held in the name of the Company as at the balance sheet date. In respect of immovable properties that have been taken on lease, the lease agreements are duly executed in favour of the Company, except for the following:

| Description of immovable properties taken on lease                               | Carrying value (as at the balance sheet date) | Held in name of          | Reason for not being held in name of Company               |
|----------------------------------------------------------------------------------|-----------------------------------------------|--------------------------|------------------------------------------------------------|
| Leasehold land located at Kanthadu Village – Marakkanam Taluk (Salt Division I)  | Nil                                           | Government of Tamil Nadu | Lease agreement pending approval with Collector.           |
| Leasehold land located at Chunampet Village – Marakkanam Taluk (Salt Division I) | Nil                                           | Government of India      | Lease agreement pending approval with Government of India. |

Immovable properties of land and buildings whose title deeds have been pledged as security for loans etc. are held in the name of the Company as per the Memorandum of Deposit of Title deeds executed by the Company.

- (d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories except for goods-in-transit and stocks held with third parties, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained and in respect of goods in-transit, the goods have been received subsequent to the year end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/alternate procedures performed as applicable, when compared with the books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements, book debt statements, credit monitoring arrangement reports, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.

(iii) (a) The Company has not made any investments in, provided any security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. The Company has stood guarantee during the year and details of which are given below:

| Particulars                                                                | Guarantee<br>(Rs. in Lakhs) |
|----------------------------------------------------------------------------|-----------------------------|
| A. Aggregate amount granted/provided during the year:                      |                             |
| - Subsidiary                                                               | 1,000.00                    |
| B. Balance outstanding as at balance sheet date in respect of above cases: |                             |
| - Subsidiary                                                               | 1,000.00                    |

(b) The guarantee provided during the year are, in our opinion, not prejudicial to the Company's interest.

(c,d,e,f) The Company has not provided any loans or advances in the nature of loans or provided security to any other entity during the year, and hence reporting under clause 3(iii)(c), (d), (e), (f) of the Order is not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits during the year. There are no unclaimed deposits outstanding anytime during the year. Hence reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) Undisputed statutory dues including Goods and Services Tax, Service Tax, Excise Duty, Customs Duty, Provident fund, Employees' state insurance, Income tax, cess and other material statutory dues applicable to the have been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Service Tax, Excise Duty, Customs Duty, Provident Fund, Employees' State Insurance, Income-tax, cess and other material statutory dues in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.

(b) Details statutory dues referred to in sub-clause (a) above which have not been deposited as on 31 March 2026 on account of disputes are given below:

| <b>Name of the Statute</b>   | <b>Nature of the Dues</b> | <b>Disputed Amount (INR. Lakh)</b> | <b>Unpaid Amount</b> | <b>Period to which the Amount Relates</b> | <b>Forum where Dispute is Pending</b> |
|------------------------------|---------------------------|------------------------------------|----------------------|-------------------------------------------|---------------------------------------|
| The Finance Act, 1994        | Service Tax               | 10.12                              | 8.15                 | January 2005 to March 2013                | Commissioner (Appeals), Chennai       |
| The Central Excise Act, 1944 | Excise Duty               | 2.47                               | 2.47                 | April 2006 to June 2012                   | Commissioner (Appeals), Chennai       |
| The Customs Act, 1962        | Customs Duty              | 102.48                             | 98.67                | FY 2013-2014                              | Commissioner (Appeals), Trichy        |
| Income Tax Act, 1961         | Income tax                | 146.79                             | 124.55               | FY 2002-03                                | The High court of Madras              |

- (viii) According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or Government or any Government authority.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were applied by the Company during the year for the purposes for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, the funds raised on short- term basis aggregating Rs. 527.18 Lakhs have been used for long-term purposes.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.
- (x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period up to November 2025 and the internal audit reports where issued after the balance sheet date covering the period December 2025 to March 2026 for the period under audit.

- (xv) In our opinion, during the year the Company has not entered into any non-cash transactions with any of its directors or persons connected with such directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a,b,c) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order are not applicable.
- (d) The group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of

Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the CARO 2020 Order is not applicable for the year.

**Place:** Chennai  
**Date:** 13 May 2026

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**P Usha Parvathy**  
Partner  
Membership No.: 207704  
UDIN: 26207704SVCRRQ4142

# Standalone Balance Sheet

As at 31 March 2026

(₹ in Lakhs)

| Particulars                                                                              | Note No. | As at 31 March 2026 | As at 31 March 2025 |
|------------------------------------------------------------------------------------------|----------|---------------------|---------------------|
| <b>I. ASSETS</b>                                                                         |          |                     |                     |
| <b>(1) Non-Current Assets</b>                                                            |          |                     |                     |
| (a) Property, Plant and Equipment                                                        | 2        | 31,658.63           | 24,224.58           |
| (b) Right of Use Assets                                                                  | 3        | 713.56              | 630.66              |
| (c) Capital Work-In-Progress                                                             | 4        | 2,838.76            | 1,170.21            |
| (d) Other Intangible Assets                                                              | 2        | 58.76               | 3.68                |
| (e) Financial Assets                                                                     |          |                     |                     |
| (i) Investments                                                                          |          |                     |                     |
| - Subsidiary                                                                             | 5        | 14,937.00           | 14,932.00           |
| - Other Investments                                                                      | 6        | 7.91                | 9.54                |
| (ii) Other Financial Assets                                                              | 7        | 207.41              | 184.89              |
| (f) Tax Assets (Net)                                                                     | 8        | 189.76              | 279.13              |
| (g) Deferred Tax Assets (Net)                                                            | 9        | 2,144.84            | 2,298.49            |
| (h) Other Non-Current Assets                                                             | 10       | 423.69              | 3,485.66            |
| <b>Total Non-Current Assets</b>                                                          |          | <b>53,180.32</b>    | <b>47,218.84</b>    |
| <b>(2) Current Assets</b>                                                                |          |                     |                     |
| (a) Inventories                                                                          | 11       | 2,450.05            | 2,309.42            |
| (b) Financial Assets                                                                     |          |                     |                     |
| (i) Other Investments                                                                    | 12       | 752.81              | 1,478.56            |
| (ii) Trade Receivables                                                                   | 13       | 2,262.07            | 2,007.12            |
| (iii) Cash and Cash Equivalents                                                          | 14A      | 2.89                | 442.10              |
| (iv) Bank Balances other than (iii) above                                                | 14B      | 83.58               | 20.21               |
| (v) Other Financial Assets                                                               | 15       | 28.08               | 55.67               |
| (c) Other Current Assets                                                                 | 16       | 836.63              | 550.08              |
|                                                                                          |          | 6,416.11            | 6,863.16            |
| Asset Classified as Held for Sale                                                        | 17       | 1,827.52            | 515.70              |
| <b>Total Current Assets</b>                                                              |          | <b>8,243.63</b>     | <b>7,378.86</b>     |
| <b>TOTAL ASSETS</b>                                                                      |          | <b>61,423.95</b>    | <b>54,597.70</b>    |
| <b>II. EQUITY AND LIABILITIES</b>                                                        |          |                     |                     |
| <b>(1) Equity</b>                                                                        |          |                     |                     |
| (a) Equity Share Capital                                                                 | 18       | 1,437.37            | 1,436.37            |
| (b) Other Equity                                                                         | 19       | 39,975.52           | 39,341.40           |
| <b>Total Equity</b>                                                                      |          | <b>41,412.89</b>    | <b>40,777.77</b>    |
| <b>(2) Liabilities</b>                                                                   |          |                     |                     |
| <b>Non-current Liabilities</b>                                                           |          |                     |                     |
| (a) Financial Liabilities                                                                |          |                     |                     |
| (i) Borrowings                                                                           | 20       | 8,143.00            | 6,379.50            |
| (ii) Lease Liabilities                                                                   |          | 234.89              | 141.09              |
| (iii) Other Financial Liabilities                                                        | 21       | 60.98               | 54.97               |
| (b) Provisions                                                                           | 22       | 306.71              | 268.02              |
| (c) Other Non-Current Liabilities                                                        | 23       | 46.25               | 120.00              |
| <b>Total Non-current Liabilities</b>                                                     |          | <b>8,791.83</b>     | <b>6,963.58</b>     |
| <b>Current liabilities</b>                                                               |          |                     |                     |
| (a) Financial Liabilities                                                                |          |                     |                     |
| (i) Borrowings                                                                           | 24       | 4,148.62            | 1,874.00            |
| (ii) Lease Liabilities                                                                   |          | 35.08               | 36.17               |
| (iii) Trade Payables                                                                     | 25       |                     |                     |
| - Total Outstanding dues of micro enterprises and small enterprises                      |          | 58.16               | 79.15               |
| - Total Outstanding dues of creditors other than micro enterprises and small enterprises |          | 3,049.34            | 3,036.23            |
| (iv) Other Financial Liabilities                                                         | 26       | 1,492.65            | 250.77              |
| (b) Provisions                                                                           | 27       | 151.95              | 151.48              |
| (c) Current Tax Liabilities (Net)                                                        | 28       | 102.62              | 109.32              |
| (d) Other Current Liabilities                                                            | 29       | 2,180.81            | 1,319.23            |
| <b>Total Current Liabilities</b>                                                         |          | <b>11,219.23</b>    | <b>6,856.35</b>     |
| <b>Total Liabilities</b>                                                                 |          | <b>20,011.06</b>    | <b>13,819.93</b>    |
| <b>TOTAL EQUITY AND LIABILITIES</b>                                                      |          | <b>61,423.95</b>    | <b>54,597.70</b>    |

See accompanying notes forming part of the standalone financial statements  
In terms of our report attached

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**For and on behalf of the Board of Directors**

**P. Usha Parvathy**  
Partner

**Suresh Krishnamurthi Rao**  
Chairman  
DIN: 00127809  
Place: Chennai

**V. M. Srinivasan**  
Chief Executive Officer  
Place: Chennai

Place: Chennai  
Date: 13 May 2026

**S. Prasath**  
Chief Financial Officer  
Place: Chennai  
Date: 13 May 2026

**Bharatraj Panchal**  
Company Secretary  
Place: Chennai

# Statement of Standalone Profit and Loss

For the year ended 31 March 2026

(₹ in Lakhs)

| Particulars                                                                           | Note No.  | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|---------------------------------------------------------------------------------------|-----------|-------------------------------------|-------------------------------------|
| <b>I</b> Revenue from Operations                                                      | 30        | 28,856.60                           | 32,209.05                           |
| <b>II</b> Other Income                                                                | 31        | 827.45                              | 584.92                              |
| <b>III Total Income (I+II)</b>                                                        |           | <b>29,684.05</b>                    | <b>32,793.97</b>                    |
| <b>IV Expenses</b>                                                                    |           |                                     |                                     |
| Cost of Materials Consumed                                                            | 32A       | 7,463.57                            | 8,492.07                            |
| Purchases of Stock-in-Trade                                                           | 32B       | 268.40                              | 735.23                              |
| Changes in Inventories of Finished Goods and Work-in-Progress                         | 33        | 264.32                              | (674.65)                            |
| Other Direct Manufacturing Expenses                                                   | 34        | 11,075.33                           | 11,716.54                           |
| Employee Benefits Expense                                                             | 35        | 2,446.56                            | 2,289.71                            |
| Finance Costs                                                                         | 36        | 754.01                              | 491.58                              |
| Depreciation and Amortisation Expense                                                 | 2 & 3     | 2,442.46                            | 3,238.79                            |
| Other Expenses                                                                        | 37        | 3,897.22                            | 4,321.48                            |
| <b>Total Expenses (IV)</b>                                                            |           | <b>28,611.87</b>                    | <b>30,610.75</b>                    |
| <b>V Profit before tax (III-IV)</b>                                                   |           | <b>1,072.18</b>                     | <b>2,183.22</b>                     |
| <b>VI Tax expense</b>                                                                 | <b>9</b>  |                                     |                                     |
| - Current Tax                                                                         |           | 193.06                              | 375.41                              |
| - Deferred Tax                                                                        | 9B        | 128.53                              | 285.39                              |
|                                                                                       |           | <b>321.59</b>                       | <b>660.80</b>                       |
| <b>VII Profit for the Year (V-VI)</b>                                                 |           | <b>750.59</b>                       | <b>1,522.42</b>                     |
| <b>VIII Other Comprehensive Income</b>                                                |           |                                     |                                     |
| Items that will not be reclassified to profit or loss:                                |           |                                     |                                     |
| - Remeasurement of net defined benefit liability                                      |           | 86.21                               | 58.09                               |
| - Fair value gain/(loss) on investments in equity instruments designated as at FVTOCI |           | (2.02)                              | (2.75)                              |
| - Income tax relating to items that will not be reclassified to profit or loss        | 9         | (25.11)                             | (16.91)                             |
| <b>Total Other Comprehensive Income</b>                                               |           | <b>59.08</b>                        | <b>38.43</b>                        |
| <b>IX Total Comprehensive Income for the Year (VII + VIII)</b>                        |           | <b>809.67</b>                       | <b>1,560.85</b>                     |
| <b>X Earnings per Equity Share (Face Value of ₹ 10 each)</b>                          | <b>40</b> |                                     |                                     |
| - Basic (in ₹)                                                                        |           | 5.22                                | 10.65                               |
| - Diluted (in ₹)                                                                      |           | 5.22                                | 10.61                               |

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**P. Usha Parvathy**  
Partner

**Place:** Chennai  
**Date:** 13 May 2026

**Suresh Krishnamurthi Rao**  
Chairman  
DIN: 00127809  
**Place:** Chennai

**S. Prasath**  
Chief Financial Officer  
**Place:** Chennai  
**Date:** 13 May 2026

**For and on behalf of the Board of Directors**

**V. M. Srinivasan**  
Chief Executive Officer  
**Place:** Chennai

**Bharatraj Panchal**  
Company Secretary  
**Place:** Chennai

# Standalone Cash Flow Statement

For the year ended 31 March 2026

(₹ in Lakhs)

| Particulars                                                                                                | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>A. Cash flow from Operating Activities</b>                                                              |                                     |                                     |
| Profit for the year                                                                                        | 750.59                              | 1,522.42                            |
| Adjustment for:                                                                                            |                                     |                                     |
| Income Tax Expense                                                                                         | 321.59                              | 660.80                              |
| Depreciation of property, plant and equipment                                                              | 2,442.46                            | 3,238.79                            |
| Dividend Income                                                                                            | (0.08)                              | -                                   |
| Gain on redemption of investments                                                                          | (21.95)                             | (4.67)                              |
| Equity settled share-based payment expense                                                                 | -                                   | 11.16                               |
| Interest Income on fixed deposits with banks                                                               | (3.67)                              | (11.31)                             |
| Interest Income on Income Tax Refund                                                                       | (14.84)                             | -                                   |
| Finance Costs                                                                                              | 754.01                              | 491.58                              |
| Gain on disposal of property, plant and equipment                                                          | (256.34)                            | (63.92)                             |
| Bad Receivables written off                                                                                | 39.08                               | 76.79                               |
| Provision for Expected credit loss (Net)                                                                   | (40.03)                             | (71.35)                             |
| Liabilities no longer required written back                                                                | (97.66)                             | (163.69)                            |
| Unrealised Exchange Variation (Net)                                                                        | 10.97                               | (8.61)                              |
| <b>Operating cash flows before movements in working capital</b>                                            | <b>3,884.13</b>                     | <b>5,677.99</b>                     |
| (Increase)/Decrease in Trade Receivables                                                                   | (253.32)                            | 109.46                              |
| (Increase)/Decrease in Other Non Current and Current Financial assets and Non current and Current assets   | (299.82)                            | 853.65                              |
| (Increase)/Decrease in Inventories                                                                         | (140.63)                            | (766.35)                            |
| Increase/(Decrease) in Trade Payables Other Current liabilities and Non-Current Liabilities and Provisions | 999.57                              | 834.53                              |
| <b>Changes in Working Capital and Other changes</b>                                                        | <b>305.80</b>                       | <b>1,031.29</b>                     |
| <b>Cash generated by operations</b>                                                                        | <b>4,189.93</b>                     | <b>6,709.28</b>                     |
| Income Taxes (Paid)/Refund and Interest Income Received                                                    | (95.55)                             | (617.49)                            |
| <b>Net cash from Operating Activities (A)</b>                                                              | <b>4,094.38</b>                     | <b>6,091.79</b>                     |
| <b>B. Cash flow from Investing Activities</b>                                                              |                                     |                                     |
| Purchase of Property, Plant and Equipment                                                                  | (9,789.11)                          | (8,878.63)                          |
| Proceeds from Sale of Property, Plant and Equipment and Assets Held for Sale                               | 1,484.56                            | 67.76                               |
| Net movement in Bank balances not considered as Cash and cash equivalents                                  | (43.61)                             | 2,364.74                            |
| Dividend Received from Non-current and Current Investments                                                 | 0.08                                | -                                   |
| Interest Income                                                                                            | 23.13                               | 130.00                              |
| Investment in Equity Shares of Subsidiary Company                                                          | (5.00)                              | -                                   |
| Investment in Preference Shares of Subsidiary Company (Also refer note 5)                                  | -                                   | (4,400.00)                          |
| <b>Net Cash from/(used in) Investing Activities (B)</b>                                                    | <b>(8,329.95)</b>                   | <b>(10,716.13)</b>                  |
| <b>C. Cash flow from Financing Activities</b>                                                              |                                     |                                     |
| Dividend Paid, including movement from unpaid dividend account                                             | (179.92)                            | (173.19)                            |
| Issue of Equity Shares                                                                                     | 9.78                                | 104.10                              |
| Payment of lease liabilities                                                                               | (41.24)                             | (27.97)                             |
| Borrowings taken/(repaid) from related party (net)                                                         | 1,100.00                            | -                                   |
| Proceeds from Term Loan taken                                                                              | 2,550.00                            | 6,880.00                            |
| Finance Cost on Lease Liabilities                                                                          | (21.22)                             | (15.89)                             |
| Repayment of Term Loan made during the year                                                                | (1,674.00)                          | (646.50)                            |
| Short term Borrowings (repaid)/taken (net)                                                                 | 2,062.12                            | 200.00                              |
| Finance Costs paid on Borrowings                                                                           | (734.91)                            | (440.14)                            |
| <b>Net Cash from/(used in) Financing Activities (C)</b>                                                    | <b>3,070.61</b>                     | <b>5,880.41</b>                     |
| <b>D. Net (Decrease)/Increase in Cash and Cash Equivalents (A) + (B) + (C)</b>                             | <b>(1,164.96)</b>                   | <b>1,256.07</b>                     |
| <b>E. Cash and Cash Equivalents (Opening)</b>                                                              | <b>1,920.66</b>                     | <b>664.59</b>                       |
| <b>F. Cash and Cash Equivalents (Closing)</b>                                                              | <b>755.70</b>                       | <b>1,920.66</b>                     |

# Standalone Cash Flow Statement (Contd.)

For the year ended 31 March 2026

## Notes:

### (i) Reconciliation of Cash and cash equivalents

(₹ in Lakhs)

| Particulars                                                                                                                     | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|---------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Cash and Cash Equivalents as per Balance Sheet                                                                                  | 2.89                                | 442.10                              |
| <b>Add:</b> Current investments considered as part of Cash and cash equivalents<br>(as defined in INDAS 7 Cash Flow Statements) | 752.81                              | 1,478.56                            |
| <b>Cash and cash equivalents at the end of the Year</b>                                                                         | <b>755.70</b>                       | <b>1,920.66</b>                     |

### (ii) Changes in liabilities arising from financing activities

(₹ in Lakhs)

| Particulars                      | As at 01 April 2025 | Cash Flows | Others   | As at 31 March 2026 |
|----------------------------------|---------------------|------------|----------|---------------------|
| Current Borrowings (Note 24)     | 1,874.00            | 2,062.12   | 212.50   | 4,148.62            |
| Non Current Borrowings (Note 20) | 6,379.50            | 1,976.00   | (212.50) | 8,143.00            |
| Lease Liabilities                | 177.26              | (41.24)    | 133.95   | 269.97              |
| Accrued Interest (Note 26)       | 47.84               | (47.84)    | 45.72    | 45.72               |

(₹ in Lakhs)

| Particulars                      | As at 01 April 2024 | Cash Flows | Others     | As at 31 March 2025 |
|----------------------------------|---------------------|------------|------------|---------------------|
| Current Borrowings (Note 24)     | 181.50              | 200.00     | 1,492.50   | 1,874.00            |
| Non Current Borrowings (Note 20) | 1,638.50            | 6,233.50   | (1,492.50) | 6,379.50            |
| Lease Liabilities                | 180.56              | (27.97)    | 24.67      | 177.26              |
| Accrued Interest (Note 26)       | 12.29               | (12.29)    | 47.84      | 47.84               |

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**P. Usha Parvathy**  
Partner

**Place:** Chennai  
**Date:** 13 May 2026

**Suresh Krishnamurthi Rao**  
Chairman  
DIN: 00127809  
**Place:** Chennai

**S Prasath**  
Chief Financial Officer  
**Place:** Chennai  
**Date:** 13 May 2026

**For and on behalf of the Board of Directors**

**V. M. Srinivasan**  
Chief Executive Officer  
**Place:** Chennai

**Bharatraj Panchal**  
Company Secretary  
**Place:** Chennai

# Statement of Standalone Changes in Equity

For the year ended 31 March 2026

## A. EQUITY SHARE CAPITAL

| Particulars                                                    | As at 31 March 2026 | As at 31 March 2025 |
|----------------------------------------------------------------|---------------------|---------------------|
| Balance as at beginning of the Year                            | 1,436.37            | 1,422.66            |
| Changes in equity share capital during the year                |                     |                     |
| Issue of equity shares under share option plan (Refer Note 47) | 1.00                | 13.71               |
| Closing Balance                                                | 1,437.37            | 1,436.37            |

(₹ in Lakhs)

## B. OTHER EQUITY

| Particulars                                                          | Share Application Money Pending Allotment | Capital Reserve | Capital Redemption Reserve | Securities Premium Account | Share Based Payment Reserve | Retained Earnings | Equity Instruments Fair value through Other Comprehensive Income | Total Other Equity |
|----------------------------------------------------------------------|-------------------------------------------|-----------------|----------------------------|----------------------------|-----------------------------|-------------------|------------------------------------------------------------------|--------------------|
| <b>Balance at 1 April 2024</b>                                       | <b>41.09</b>                              | <b>15.67</b>    | <b>960.00</b>              | <b>34,995.61</b>           | <b>129.02</b>               | <b>1,712.98</b>   | <b>11.96</b>                                                     | <b>37,866.33</b>   |
| Profit/(Loss) for the year                                           | -                                         | -               | -                          | -                          | -                           | 1,522.42          | -                                                                | 1,522.42           |
| Recognition of Employee stock based compensation                     | -                                         | -               | -                          | -                          | 11.16                       | -                 | -                                                                | 11.16              |
| Share Application Money Received                                     | 95.29                                     | -               | -                          | -                          | -                           | -                 | -                                                                | 95.29              |
| Shares Allotted                                                      | (136.38)                                  | -               | -                          | -                          | (111.86)                    | -                 | -                                                                | (248.24)           |
| Securities Premium on issue of Equity Shares                         | -                                         | -               | -                          | 234.46                     | -                           | -                 | -                                                                | 234.46             |
| Payment of Dividend on equity shares                                 | -                                         | -               | -                          | -                          | -                           | (178.46)          | -                                                                | (178.46)           |
| Equity Instruments through Other Comprehensive Income (net of taxes) | -                                         | -               | -                          | -                          | -                           | -                 | (2.75)                                                           | (2.75)             |
| Remeasurement of Defined Benefit Plans (net of taxes)                | -                                         | -               | -                          | -                          | -                           | 41.18             | -                                                                | 41.18              |
| <b>Balance at 31 March 2025</b>                                      | <b>-</b>                                  | <b>15.67</b>    | <b>960.00</b>              | <b>35,230.07</b>           | <b>28.32</b>                | <b>3,098.13</b>   | <b>9.21</b>                                                      | <b>39,341.40</b>   |

(₹ in Lakhs)

# Statement of Standalone Changes in Equity (Contd.)

## For the year ended 31 March 2026

### B. OTHER EQUITY (Contd.)

| Particulars                                                          | Share Application Money Pending Allotment | Capital Reserve | Capital Redemption Reserve | Securities Premium Account | Share Based Payment Reserve | Retained Earnings | Equity Instruments Fair value through Other Comprehensive Income | Total Other Equity |
|----------------------------------------------------------------------|-------------------------------------------|-----------------|----------------------------|----------------------------|-----------------------------|-------------------|------------------------------------------------------------------|--------------------|
| Profit/(Loss) for the year                                           | -                                         | -               | -                          | -                          | -                           | 750.59            | -                                                                | 750.59             |
| Recognition of Employee stock based compensation                     | -                                         | -               | -                          | -                          | (4.78)                      | -                 | -                                                                | (4.78)             |
| Share Application Money Received                                     | 9.78                                      | -               | -                          | -                          | -                           | -                 | -                                                                | 9.78               |
| Shares Allotted                                                      | (9.78)                                    | -               | -                          | -                          | (8.49)                      | -                 | -                                                                | (18.27)            |
| Securities Premium on issue of Equity Shares                         | -                                         | -               | -                          | 17.27                      | -                           | -                 | -                                                                | 17.27              |
| ESOP options lapsed                                                  | -                                         | -               | -                          | -                          | (15.05)                     | 15.05             | -                                                                | -                  |
| Payment of Dividend on equity shares                                 | -                                         | -               | -                          | -                          | -                           | (179.55)          | -                                                                | (179.55)           |
| Equity Instruments through Other Comprehensive Income (net of taxes) | -                                         | -               | -                          | -                          | -                           | -                 | (2.02)                                                           | (2.02)             |
| Remeasurement of Defined Benefit Plans (net of taxes)                | -                                         | -               | -                          | -                          | -                           | 61.10             | -                                                                | 61.10              |
| <b>Balance at 31 March 2026</b>                                      | <b>-</b>                                  | <b>15.67</b>    | <b>960.00</b>              | <b>35,247.34</b>           | <b>-</b>                    | <b>3,745.32</b>   | <b>7.19</b>                                                      | <b>39,975.52</b>   |

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**P. Usha Parvathy**  
Partner

**Suresh Krishnamurthi Rao**  
Chairman  
DIN: 00127809  
Place: Chennai

**Place:** Chennai  
**Date:** 13 May 2026

**For and on behalf of the Board of Directors**

**V. M. Srinivasan**  
Chief Executive Officer  
Place: Chennai

**Bharatraj Panchal**  
Company Secretary  
Place: Chennai

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## 1. GENERAL INFORMATION

Chemfab Alkalies Limited (hereinafter referred to as "the Company") was incorporated on 06 May 2009 and is in the business of manufacturing of basic inorganic chemicals. The name of the Company was changed from Teamec Chlorates Limited to Chemfab Alkalies Limited on July 21, 2017, vide revised certificate of incorporation issued by the Registrar of Companies pursuant to the scheme of amalgamation ('scheme') approved by the National Company Law Tribunal (NCLT) Chennai vide its order dated 30 March 2017. Erstwhile Chemfab Alkalies Limited a listed entity, had merged with the Company pursuant to the scheme and consequently the Company's equity shares have been listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) with effect from 25 April 2018.

### Material Accounting Policies

#### Impact of the initial application of new and amended Ind ASs that are effective for the current year:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

During the year ended March 31, 2026, MCA has notified Amendments to Ind AS 21 – The Effect of Changes in Foreign Exchange Rates titled Lack of Exchangeability, Amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures titled Supplier Finance Arrangements, Amendments to Ind AS 12 Income Taxes titled International Tax Reform—Pillar Two Model Rules which does not have impact to the Company.

With regard to Amendments to IND AS 1, refer note 20 on Borrowings for details relating to covenants.

At the date authorisation of these standalone financial statements, the Company has not applied the following new and revised Ind AS that have been issued but are not yet effective:

Amendments to Ind AS 1 Presentation of Financial Statements: Where a covenant breach exists on or before the reporting date and, as a result, the liability becomes payable on demand on that date, the liability must be classified as current, even if the lender subsequently (i.e., after the reporting date but before approval of the financial statements) agrees not to demand payment.

The directors do not expect that the adoption of the standards listed above will have a material impact on the Standalone financial statements of the Company in future periods.

### 1.1 Basis Of Accounting

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the 2013 Act read with the Companies (Indian Accounting Standards) Rules 2015 and other relevant provisions of the 2013 Act.

These Financial Statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

#### Going concern:

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

### 1.2 Basis of preparation of financial statements

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- **Level 1** inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

- **Level 2** inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- **Level 3** inputs are unobservable inputs for the asset or liability.

## 1.3 Use of Estimates

The preparation of the financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results may vary from these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known/materialize. Revisions to accounting estimates are recognized prospectively in the year in which the estimate is revised and/or in future years, as applicable.

## 1.4 Operating Cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

## 1.5 Revenue recognition

### (I) Sale of Goods/Services:

The Company derives revenues primarily from sale of manufacturing of inorganic chemicals viz Caustic Soda Lye, Chlorine, Hydrogen, Hydrochloric acid, Sodium Hypo and Sodium Chlorate and also from PVC-O pipes. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration expected to be received in exchange for those products or services. Revenue is reduced for estimated customer returns, rebates and other similar allowances. Accordingly, the revenue is recognised on point in time basis.

### a) Sale of products

Revenues and costs relating to sale of products are recognized as the related goods are delivered, and

titles have passed, at which time all the following conditions are satisfied:

- the company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company; and
- the costs incurred or to be incurred in respect of the transactions can be measured reliably.

b) Income from service activities is accounted for on rendering the service in accordance with the contractual terms and when there is no uncertainty in receiving the same.

### (II) Other Income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Dividend Income is accounted when the right to receive is established.

## 1.6 Inventories

Inventories are valued at the lower of cost and net realizable value. Cost includes cost of purchase, cost of conversion, and other costs incurred in bringing the inventories to their present location and condition and is net of taxes where applicable. The methods of determination of cost of various categories of inventory are as follows:

- Raw Materials, Fuel and Stores and Spares – On weighted average basis.
- Finished goods and Work in Progress at lower of Cost, which includes appropriate production overheads and Net Realizable Value, the cost being determined on weighted average basis.

Due allowance is estimated and made by the Management for slow moving/non-moving items of inventory, where ever necessary, based on the technical assessment and such allowances are

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

adjusted against the closing inventory value. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and cost necessary to make the sale.

## 1.7 Cash and Cash Equivalent (For the purpose of Cash Flow Statement)

Cash comprises of cash on hand and demand deposits with banks. Cash Equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash which are subject to an insignificant risk of changes in value. Bank balances other than the balance included in cash and cash equivalents represents balance on account of unpaid dividend and margin money deposit with banks.

## 1.8 Cash Flow Statement

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

## 1.9 Property, Plant and Equipment (PPE) and Depreciation on Property Plant and Equipment

Property, Plant and Equipment (PPE's) are recorded at cost less accumulated depreciation and accumulated impairment loss (if any). The Company capitalizes all costs relating to acquisition and installation of Property, Plant and Equipment. The cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying Property, Plant and Equipment up to the date the Property, Plant and Equipment is ready for its intended use.

Cost of spares relating to specific item of Property, Plant and Equipment is capitalized. Cost of modifications that enhance the operating performance or extend the useful life of Property, Plant and Equipment are also capitalized, where there is a certainty of deriving future economic benefits from the use of such assets.

Any part or components of Property, Plant and Equipment which are separately identifiable and

expected to have a useful life which is different from that of the main assets are capitalized separately, based on the technical assessment of the Management.

Advances paid towards the acquisition of Property, Plant and Equipment outstanding at each balance sheet date are disclosed as "Capital Advances" under Other Non Current Assets and cost of Property, Plant and Equipment not ready to use before such date are disclosed under "Capital Work-in-Progress".

### Depreciation:

Depreciable amount for assets is the cost of an asset less its estimated residual value.

Depreciation on Property, Plant and Equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of Continuous Process Plant, in whose case the life of the assets has been assessed as 18 years based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Depreciation is also accelerated on Property, Plant & Equipment, based on their condition, usability etc. as per the technical estimates of the Management, where necessary.

### Intangible Assets:

Intangible fixed assets acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses (if any). Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life of intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern.

### Research and Development:

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale.
- Its intention to complete and its ability and intention to use or sell the asset.

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

- How the asset will generate future economic benefits.
- The availability of resources to complete the asset.
- The ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

## Derecognition of Property, Plant and Equipment:

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

## 1.10 Borrowing Cost

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

## 1.11 Government Grants, Subsidies and Export Incentives

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants/subsidies will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.

Export benefits, if any, are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Government grants in the nature of promoters' contribution like investment subsidy, where no repayment is ordinarily expected in respect thereof, are accounted in Reserves and Surplus in Other Equity. Government grants in the form of non-monetary assets, given at a concessional rate, are recorded on the basis of their acquisition cost. In case the non-monetary asset is given free of cost, the grant is recorded at a nominal value.

Other government grants and subsidies are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

## 1.12 Foreign Currency Transactions

### Initial Recognition:

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

### Subsequent Recognition:

As at the reporting date, non monetary assets and liabilities which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate prevalent at the date of the transaction. Foreign currency monetary assets and liabilities are reported using the exchange rate prevalent at the date of the balance sheet.

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## Treatment of Exchange Differences:

Foreign exchange gains and losses resulting from the settlement/restatement of monetary assets and liabilities of the Company are recognised as income or expense in the statement of profit and loss.

## 1.13 Employee Benefits

Retirement benefit costs and termination benefits:

### i) Defined Benefit Plans:

Employee defined benefit plans include gratuity.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in the Statement of profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability).

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the

offer of the termination benefit and when the entity recognises any related restructuring costs.

The Company makes contribution to a scheme administered by the insurer to discharge gratuity liabilities to the employees.

### Short-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

### ii) Defined Contribution Plans:

Employee defined contribution plans include Provident Fund, Employee state insurance and Super Annuation Fund.

### Provident Fund and Employee State Insurance:

All employees of the Company receive benefits from Provident Fund and Employee's State Insurance (where applicable), which are defined contribution plans. Both, the employee and the Company make monthly contributions to the plan, each equalling to a specified percentage of employee's basic salary. The Company has no further obligations under the plan beyond its monthly contributions. The Company contributes to the Employee Provident Fund and Employee's State Insurance (where applicable) scheme maintained by the Central Government of India and the contribution thereof is charged to the Statement of Profit and Loss in the year in which the services are rendered by the employees.

### Super Annuation Fund:

The Company makes contribution to a scheme administered by the insurer to discharge its liabilities towards super annuation to the eligible employees. The Company has no other liability other than its annual contribution.

## 1.14 Employee Share Based Payments

Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

### Equity-settled transactions:

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

## 1.15 Taxation

Income taxes comprise Current and deferred tax. Income tax expense/credit is recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive

income or directly in equity, in which case, the income taxes are also recognised in other comprehensive income or directly in equity, respectively.

### Current Tax and Prior Period Tax:

Current income tax liability/(asset) for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

### Deferred Tax:

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognized on deductible and taxable temporary differences between the carrying amounts of assets and liabilities in the Ind AS financial statements and the corresponding tax bases of such assets and liabilities. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

### Minimum Alternate Tax (MAT):

Minimum Alternate Tax (MAT) paid as current tax expense in accordance with the tax laws, which gives future economic benefits in the form of adjustment

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

to future income tax liability, is considered as tax credit and recognised as deferred tax asset when there is reasonable certainty that the Company will pay normal income tax in the future years and future economic benefit associated with it will flow to the Company. The carrying amount is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

## 1.16 Segment Reporting

Operating segments reflect the Company's management structure and the way the financial information is regularly reviewed by the Company's Chief operating decision maker (CODM). The CEO of the company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM considers the business from both business and product perspective based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/(loss) amounts are evaluated regularly by the CODM in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue, where applicable, is accounted on the basis of transactions which are primarily determined based on market/fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue/expenses/assets/liabilities".

## 1.17 Leases

The Company assesses whether a contract contains a lease, at inception of a contract. 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. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (1) the contract involves the use of an identified asset

- (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

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

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## 1.18 Earnings per share

Basic earnings per share is computed by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits/reverse share splits and bonus shares, as appropriate.

## 1.19 Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are determined based on the best estimate required to settle the obligation at the balance sheet date and measured using the present value of cash flows estimated to settle the present obligations (when the effect of time value of money is material). These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. The Company does not recognize a contingent liability but discloses its existence in the Financial Statements. Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

## 1.20 Provision for warranty

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise-being typically upto three years.

## 1.21 Insurance Claims

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

## 1.22 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value except in respect of Trade receivables that do not have a significant financial component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in profit and loss.

## 1.23 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## Classification of financial assets:

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the Company may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Company may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see (iii) below); and
- the Company may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (see (iv) below). All other financial assets are subsequently measured at fair value.

## (i) Amortised cost and effective interest method:

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

For purchased or originated credit-impaired financial assets, the Company recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in profit or loss and is included in the 'Other income' line item.

## (ii) Debt instruments classified as at FVTOCI:

The debt instruments are initially measured at fair value plus transaction costs.

Subsequently, changes in the carrying amount of these debt instruments as a result of foreign exchange gains and losses (see below), impairment gains or losses (see below), and interest income calculated using the effective interest method (see (i) above) are recognised in profit or loss. The amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if these debt instruments had been measured at amortised cost. All other changes in the carrying amount of these debt instruments are recognised in other comprehensive income and accumulated in a separate component of equity. When these debt instruments are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

## (iii) Equity instruments designated as at FVTOCI:

On initial recognition, the Company may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading:

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs.

Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in a separate component of equity. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with Ind AS 109, unless the dividends clearly represent a recovery of part of the cost of the investment.

Dividends are included in the 'Other income' line item in profit or loss.

The Company designates all investments in equity instruments that are not held for trading as at FVTOCI on initial recognition.

A financial asset is held for trading if:

- It has been acquired principally for the purpose of selling it in the near term;
- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking.

## (iv) Financial assets at fair value through profit or loss (FVTPL):

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI (see (i) to (iii) above) are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Company designates an equity investment that is neither held for trading (see (iii) above).
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria (see (i) and (ii) above) are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the 'other income' line item.

## Foreign exchange gains and losses:

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- for financial assets measured at amortised cost that are not part of a designated hedging

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

relationship, exchange differences are recognised in profit or loss in the 'other income' line item;

- for debt instruments measured at FVTOCI that are not part of a designated hedging relationship, exchange differences on the amortised cost of the debt instrument are recognised in profit or loss in the 'other income' line item. As the foreign currency element recognised in profit or loss is the same as if it was measured at amortised cost, the residual foreign currency element based on the translation of the carrying amount (at fair value) is recognised in other comprehensive income in a separate component of equity;
- for financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'other income' line item as part of the fair value gain or loss; and
- for equity instruments measured at FVTOCI, exchange differences are recognised in other comprehensive income in a separate component of equity.

## Impairment of financial assets:

The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets, financial guarantee contracts, and certain other financial assets measured at amortised cost such as deferred consideration receivable on disposal of subsidiaries. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on

that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

For trade receivables, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient method as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

## De-recognition of financial assets:

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in a separate component of equity is reclassified to profit or loss. In contrast, on derecognition of an investment in an equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in a separate component of equity is not reclassified to profit or loss, but is transferred to retained earnings.

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## 1.24 Financial liabilities and equity instruments

### Classification as debt or equity:

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Company, are measured in accordance with the specific accounting policies set out below.

### Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is (i) held for trading or (ii) it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking;

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis;

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other income' line item in profit or loss.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are recognised in retained earnings. Gains or losses on financial guarantee contracts issued by the Company that are designated by the Company as at FVTPL are recognised in profit or loss.

### Financial liabilities subsequently measured at amortised cost:

Financial liabilities that are not held-for-trading or designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

### Foreign exchange gains and losses:

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments.

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

These foreign exchange gains and losses are recognised in the 'other income' line item in profit or loss for financial liabilities.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss for financial liabilities.

## Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the Company exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Company accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification is recognised in profit or loss as the modification gain or loss within 'other income'.

## 1.25 Impairment of Tangible and Intangible Assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets or cash generating units to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the

asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, or whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

## 1.26 Investment in subsidiary

Investment in subsidiary is measured at cost. Dividend income from subsidiaries is recognised when its right to receive the dividend is established.

## 1.27 Dividend

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Board of Directors of the Company. The Company declares and pays dividends in Indian rupees and are subject to applicable taxes.

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## 1.28 Asset held for sale

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Company is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Company will retain a non-controlling interest in its former subsidiary after the sale.

## 1.29 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of Financial Statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and

the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures. Uncertainty about the assumptions and estimates could result in outcomes that require a material adjustment to the carrying value of assets or liabilities affected in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in Financial Statements is included in the following notes:

- (i) Useful lives of Property, Plant and Equipment.
- (ii) Employee Benefits.

### Determination of functional currency:

Currency of the primary economic environment in which the Company operates ("the functional currency") is Indian Rupee (₹) in which the company primarily generates and expends cash. Accordingly, the Management has assessed its functional currency to be Indian Rupee (₹).

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## 2. PROPERTY PLANT AND EQUIPMENT AND OTHER INTANGIBLE ASSETS

### I-Current year ended 31 March 2026

(₹ in Lakhs)

| Particulars                            | Gross Block         |                     |                           |                                      |                                               |                     | Accumulated Depreciation/Amortisation/Impairment |                 |                           | Net Block                                     |                     |
|----------------------------------------|---------------------|---------------------|---------------------------|--------------------------------------|-----------------------------------------------|---------------------|--------------------------------------------------|-----------------|---------------------------|-----------------------------------------------|---------------------|
|                                        | As at 01 April 2025 | Transfers from CWIP | Additions during the year | Deletions/Adjustment during the year | Reclassified as held for sale (Refer Note 17) | As at 31 March 2026 | As at 01 April 2025                              | For the year    | Deletions during the year | Reclassified as held for sale (Refer Note 17) | As at 31 March 2026 |
| <b>A. Property Plant and Equipment</b> |                     |                     |                           |                                      |                                               |                     |                                                  |                 |                           |                                               |                     |
| Land-Freehold (Refer note 20)          | 2,162.07            | -                   | -                         | -                                    | 1,331.83                                      | 830.24              | -                                                | -               | -                         | -                                             | 830.24              |
| Buildings (Refer note 20)              | 3,514.54            | 32.20               | -                         | -                                    | 133.94                                        | 3,412.80            | 787.24                                           | 116.08          | -                         | 111.18                                        | 2,620.66            |
| Plant and Equipment (Refer note 20)    | 32,256.91           | 12,201.55           | -                         | 4,995.07                             | 1,266.99                                      | 38,196.40           | 13,210.45                                        | 2,180.64        | 4,621.60                  | 455.10                                        | 27,882.01           |
| Furniture and Fixtures                 | 95.62               | 87.01               | -                         | 8.09                                 | 0.62                                          | 173.92              | 49.08                                            | 10.78           | 8.06                      | 0.58                                          | 122.70              |
| Vehicles                               | 251.41              | 0.08                | -                         | -                                    | -                                             | 251.49              | 96.96                                            | 27.48           | -                         | -                                             | 127.05              |
| Office Equipments                      | 252.03              | 17.24               | -                         | -                                    | 0.38                                          | 268.89              | 164.27                                           | 29.01           | -                         | 0.36                                          | 75.97               |
| <b>TOTAL (A)</b>                       | <b>38,532.58</b>    | <b>12,338.08</b>    | <b>-</b>                  | <b>5,003.16</b>                      | <b>2,733.76</b>                               | <b>43,133.74</b>    | <b>14,308.00</b>                                 | <b>2,363.99</b> | <b>4,629.66</b>           | <b>567.22</b>                                 | <b>31,658.63</b>    |
| <b>B. Other Intangible Assets</b>      |                     |                     |                           |                                      |                                               |                     |                                                  |                 |                           |                                               |                     |
| Computer Software                      | 179.22              | 81.27               | -                         | -                                    | -                                             | 260.49              | 175.54                                           | 26.19           | -                         | -                                             | 58.76               |
| <b>TOTAL (B)</b>                       | <b>179.22</b>       | <b>81.27</b>        | <b>-</b>                  | <b>-</b>                             | <b>-</b>                                      | <b>260.49</b>       | <b>175.54</b>                                    | <b>26.19</b>    | <b>-</b>                  | <b>-</b>                                      | <b>58.76</b>        |
| <b>TOTAL (A + B)</b>                   | <b>38,711.80</b>    | <b>12,419.35</b>    | <b>-</b>                  | <b>5,003.16</b>                      | <b>2,733.76</b>                               | <b>43,394.23</b>    | <b>14,483.54</b>                                 | <b>2,390.18</b> | <b>4,629.66</b>           | <b>567.22</b>                                 | <b>31,717.39</b>    |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## 2. PROPERTY PLANT AND EQUIPMENT AND OTHER INTANGIBLE ASSETS

### II-Previous year ended 31 March 2025

| Particulars                            | Gross Block               |                        |                                 |                                             |                        | Accumulated Depreciation/<br>Amortisation/Impairment |                                 | Net Block                 |                           |
|----------------------------------------|---------------------------|------------------------|---------------------------------|---------------------------------------------|------------------------|------------------------------------------------------|---------------------------------|---------------------------|---------------------------|
|                                        | As at<br>01 April<br>2024 | Transfers<br>from CWIP | Additions<br>during the<br>year | Deletions/<br>Adjustment<br>during the year | As at<br>31 March 2025 | As at<br>01 April<br>2024                            | Deletions<br>during the<br>year | As at<br>31 March<br>2025 | As at<br>31 March<br>2025 |
| <b>A. Property Plant and Equipment</b> |                           |                        |                                 |                                             |                        |                                                      |                                 |                           |                           |
| Land-Freehold (Refer note 20)          | 2,162.07                  | -                      | -                               | -                                           | 2,162.07               | -                                                    | -                               | -                         | 2,162.07                  |
| Buildings (Refer note 20)              | 2,427.49                  | 1,087.05               | -                               | -                                           | 3,514.54               | 684.37                                               | 102.87                          | 787.24                    | 2,727.30                  |
| Plant and Equipment (Refer note 20)    | 23,636.54                 | 8,788.29               | -                               | 167.92                                      | 32,256.91              | 10,358.46                                            | 3,018.09                        | 13,210.45                 | 19,046.46                 |
| Furniture and Fixtures                 | 87.26                     | 11.70                  | -                               | 3.34                                        | 95.62                  | 42.51                                                | 7.07                            | 49.08                     | 46.54                     |
| Vehicles                               | 221.12                    | -                      | 30.29                           | -                                           | 251.41                 | 71.28                                                | 25.68                           | 96.96                     | 154.45                    |
| Office Equipments                      | 218.70                    | 33.33                  | -                               | -                                           | 252.03                 | 133.35                                               | 30.92                           | 164.27                    | 87.76                     |
| <b>TOTAL (A)</b>                       | <b>28,753.18</b>          | <b>9,920.37</b>        | <b>30.29</b>                    | <b>171.26</b>                               | <b>38,532.58</b>       | <b>11,289.97</b>                                     | <b>3,184.63</b>                 | <b>14,308.00</b>          | <b>24,224.58</b>          |
| <b>B. Other Intangible Assets</b>      |                           |                        |                                 |                                             |                        |                                                      |                                 |                           |                           |
| Computer Software                      | 179.22                    | -                      | -                               | -                                           | 179.22                 | 173.67                                               | 1.87                            | 175.54                    | 3.68                      |
| <b>TOTAL (B)</b>                       | <b>179.22</b>             | <b>-</b>               | <b>-</b>                        | <b>-</b>                                    | <b>179.22</b>          | <b>173.67</b>                                        | <b>1.87</b>                     | <b>175.54</b>             | <b>3.68</b>               |
| <b>TOTAL (A + B)</b>                   | <b>28,932.40</b>          | <b>9,920.37</b>        | <b>30.29</b>                    | <b>171.26</b>                               | <b>38,711.80</b>       | <b>11,463.64</b>                                     | <b>3,186.50</b>                 | <b>14,483.54</b>          | <b>24,228.26</b>          |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## 3. LEASES

### Right of Use Assets:

(₹ in Lakhs)

| Particulars                     | Land          | Equipment     |
|---------------------------------|---------------|---------------|
| <b>Cost</b>                     |               |               |
| As at 01 April 2024             | 597.01        | 155.76        |
| <b>Add:</b> Additions           | 40.41         | -             |
| <b>Less:</b> Deletion           | (37.12)       | -             |
| <b>As at 31 March 2025</b>      | <b>600.30</b> | <b>155.76</b> |
| <b>Add:</b> Additions           | 38.18         | 106.70        |
| <b>Less:</b> Deletion           | (35.44)       | (42.40)       |
| <b>As at 31 March 2026</b>      | <b>603.04</b> | <b>220.06</b> |
| <b>Accumulated Amortisation</b> |               |               |
| As at 01 April 2024             | 78.27         | 31.96         |
| <b>Add:</b> Charge for the Year | 34.14         | 18.15         |
| <b>Less:</b> Deletion           | (37.12)       | -             |
| <b>As at 31 March 2025</b>      | <b>75.29</b>  | <b>50.11</b>  |
| <b>Add:</b> Charge for the Year | 32.08         | 20.20         |
| <b>Less:</b> Deletion           | (35.46)       | (32.68)       |
| <b>As at 31 March 2026</b>      | <b>71.91</b>  | <b>37.63</b>  |
| <b>Carrying Amount</b>          |               |               |
| <b>As at 31 March 2025</b>      | <b>525.01</b> | <b>105.65</b> |
| <b>As at 31 March 2026</b>      | <b>531.13</b> | <b>182.43</b> |

The Company has considered the OCC interest rate at the time of adoption of lease for the purpose of determination of discount rate for leases. The Company has leases for Land and certain equipment. The leases have remaining lease terms of 1 year upto 25 years with option to terminate or extend the lease.

(₹ in Lakhs)

| Particulars                                                                 | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|-----------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Amounts recognised in Statement of Profit and Loss were as follows:</b>  |                                     |                                     |
| Amortisation Expense on right-of-use assets                                 | 52.28                               | 52.29                               |
| Interest Expense on lease Liabilities                                       | 21.22                               | 15.89                               |
| Expense relating to short-term lease                                        | 60.20                               | 30.94                               |
| <b>Supplemental cash flow information related to leases was as follows:</b> |                                     |                                     |
| Total cash outflow for leases                                               | (41.24)                             | (27.97)                             |
| Additions to right of use assets                                            | 144.88                              | 40.41                               |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

The Company has considered the OCC interest rate at the time of adoption of lease for the purpose of determination of discount rate for leases. The Company has leases for Land and certain equipment. The leases have remaining lease terms of 1 year upto 25 years with option to terminate or extend the lease. (Contd.)

(₹ in Lakhs)

| Particulars                                            | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|--------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Maturities of Lease Liabilities were as follows</b> |                                     |                                     |
| <b>Undiscounted Lease Payments to be made</b>          | <b>408.70</b>                       | <b>258.12</b>                       |
| Not later than 1 year                                  | 55.38                               | 48.73                               |
| Later than 1 year and not later than 5 years           | 138.66                              | 86.50                               |
| Later than 5 years                                     | 214.65                              | 122.89                              |

## 4. CAPITAL WORK-IN-PROGRESS

(₹ in Lakhs)

| Particulars                               | As at 31 March 2026 | As at 31 March 2025 |
|-------------------------------------------|---------------------|---------------------|
| Opening                                   | 1,170.21            | 5,719.72            |
| Additions                                 | 14,087.90           | 5,370.86            |
| Transfer to property, plant and equipment | (12,419.35)         | (9,920.37)          |
| <b>Closing</b>                            | <b>2,838.76</b>     | <b>1,170.21</b>     |

### a) CWIP Ageing Schedule

As at 31 March 2026

(₹ in Lakhs)

| CWIP Ageing schedule           | Less than<br>1 year | 1-2<br>years | 2-3<br>years | More than<br>3 years | Total    |
|--------------------------------|---------------------|--------------|--------------|----------------------|----------|
| Projects in Progress           | 2,681.91            | 18.53        | -            | 138.33               | 2,838.76 |
| Projects temporarily suspended | -                   | -            | -            | -                    | -        |

As at 31 March 2025

(₹ in Lakhs)

| CWIP Ageing schedule           | Less than<br>1 year | 1-2<br>years | 2-3<br>years | More than<br>3 years | Total    |
|--------------------------------|---------------------|--------------|--------------|----------------------|----------|
| Projects in Progress           | 968.62              | 49.45        | 124.86       | 27.28                | 1,170.21 |
| Projects temporarily suspended | -                   | -            | -            | -                    | -        |

### b) CWIP whose completion is overdue or exceed its cost

The above capital work in progress does not have any project whose completion is overdue or has exceeded its cost compared to original plan in the current and in the previous year. There are no projects whose activity is suspended.

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## 5. INVESTMENTS –NON CURRENT (REFER NOTE 39)

(₹ in Lakhs)

| Particulars                                                                                                  | As at 31 March 2026 | As at 31 March 2025 |
|--------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>Unquoted-Fully paid-up</b>                                                                                |                     |                     |
| <b>Investment in Equity Shares of wholly-owned subsidiary, at Cost</b>                                       |                     |                     |
| 53,20,000 (P.Y. 53,20,000) Equity Shares of ₹. 10/-each of Chemfab Karaikal Limited                          | 532.00              | 532.00              |
| 50,000 (P.Y. Nil) Equity Shares of ₹. 10/-each of Chemfab Hitech Piping Limited                              | 5.00                | -                   |
| <b>Investment in Preference Shares of wholly-owned subsidiary, at Cost</b>                                   |                     |                     |
| 14,40,00,000 (PY 14,40,00,000) 0.01% Convertible Preference Shares of ₹ 10/-each of Chemfab Karaikal Limited | 14,400.00           | 14,400.00           |
| <b>Total</b>                                                                                                 | <b>14,937.00</b>    | <b>14,932.00</b>    |

## 6. OTHER INVESTMENTS–NON CURRENT

(₹ in Lakhs)

| Particulars                                                                                                                              | As at 31 March 2026 | As at 31 March 2025 |
|------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>Investment carried at fair value through Other Comprehensive Income</b>                                                               |                     |                     |
| <b>Quoted Investments (fully paid)</b>                                                                                                   |                     |                     |
| <b>Investment in Equity Instruments of Other entities</b>                                                                                |                     |                     |
| 281 (P.Y. 281) Equity Shares of ₹. 10/-each of Summit Securities Limited                                                                 | 3.71                | 5.49                |
| 500 (P.Y. 500) Equity Shares of ₹. 10/-each of De Nora India Limited                                                                     | 3.41                | 3.43                |
| 300 (P.Y. 300) Equity Shares of ₹. 10/-each of TGV SRAAC Limited (formerly known as Sree Rayalaseema Alkalis & Allied Chemicals Limited) | 0.24                | 0.28                |
| 450 (P.Y. 450) Equity Shares of ₹. 5/- each of Kanoria Chemicals Limited                                                                 | 0.25                | 0.34                |
| 1000 (P.Y. Nil) Equity Shares of ₹. 10/- each of Abirami Financial Services (India) Ltd                                                  | 0.30                | -                   |
| <b>Total</b>                                                                                                                             | <b>7.91</b>         | <b>9.54</b>         |
| <b>Aggregate Book value of Quoted Investment</b>                                                                                         | <b>7.91</b>         | <b>9.54</b>         |
| <b>Aggregate Market value of Quoted Investment</b>                                                                                       | <b>7.91</b>         | <b>9.54</b>         |
| Financial Assets carried at Fair Value Through Other Comprehensive Income (FVTOCI)                                                       | 7.91                | 9.54                |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## 7. OTHER FINANCIAL ASSETS–NON CURRENT

(₹ in Lakhs)

| Particulars                                                               | As at 31 March 2026 | As at 31 March 2025 |
|---------------------------------------------------------------------------|---------------------|---------------------|
| Deposits with others                                                      | 204.85              | 162.57              |
| Bank deposits with more than 12 months maturity<br>(Refer note 7.1 below) | 2.56                | 22.32               |
| <b>Total (Gross)</b>                                                      | <b>207.41</b>       | <b>184.89</b>       |
| <b>Less:</b> Provision for Expected Credit Loss                           | –                   | –                   |
| <b>Total (Net)</b>                                                        | <b>207.41</b>       | <b>184.89</b>       |

### Note:

**7.1** Includes Margin Money towards bank guarantee of ₹ 2.56 Lakhs (PY 2.40 Lakhs) which represents balances with banks that are restricted from being exchanged or used to settle a liability for more than 12 months from the Balance Sheet date. During the year ₹ 19.92 Lakhs has been classified as current. Also refer note 14B.1 below.

## 8. TAX ASSETS (NET)–NON CURRENT

(₹ in Lakhs)

| Particulars                                                                                          | As at 31 March 2026 | As at 31 March 2025 |
|------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| Income Tax paid/TDS Receivable<br>(Net of provision for tax of ₹ 568.47 Lakhs (PY ₹ 3,361.91 Lakhs)) | 189.76              | 279.13              |
| <b>Total</b>                                                                                         | <b>189.76</b>       | <b>279.13</b>       |

## 9. CURRENT TAXES AND DEFERRED TAXES

### A.1 Income Tax recognised in Statement of Profit and Loss

(₹ in Lakhs)

| Particulars                                                                        | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>(i) Current Tax:</b>                                                            |                                     |                                     |
| – in respect of current year                                                       | 193.06                              | 375.41                              |
| <b>Total (A)</b>                                                                   | <b>193.06</b>                       | <b>375.41</b>                       |
| <b>(ii) Deferred Tax:</b>                                                          |                                     |                                     |
| – in respect of current year                                                       | 128.53                              | 284.43                              |
| – in respect of previous year                                                      | –                                   | 0.96                                |
| <b>Total (B)</b>                                                                   | <b>128.53</b>                       | <b>285.39</b>                       |
| <b>Total income tax expense recognised in Statement of Profit and Loss (A + B)</b> | <b>321.59</b>                       | <b>660.80</b>                       |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## A.2 Income tax recognised in other Comprehensive income

(₹ in Lakhs)

| Particulars                                                                                    | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Deferred tax related to items recognised in other comprehensive income during the year:</b> |                                     |                                     |
| - Remeasurement of defined benefit obligations & Others                                        | (25.11)                             | (16.91)                             |
| <b>Total</b>                                                                                   | <b>(25.11)</b>                      | <b>(16.91)</b>                      |
| <b>Classification of income tax recognised in other comprehensive income</b>                   |                                     |                                     |
| - Income taxes related to items that will not be reclassified to profit or loss                | (25.11)                             | (16.91)                             |
| <b>Total</b>                                                                                   | <b>(25.11)</b>                      | <b>(16.91)</b>                      |

## A.3 Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate

(₹ in Lakhs)

| Particulars                                                                | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|----------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Profit before tax                                                          | 1,072.18                            | 2,183.22                            |
| Income Tax using the Company's domestic Tax rate                           | 312.22                              | 635.75                              |
| <b>Tax Effect of:</b>                                                      |                                     |                                     |
| - Effect of expenses that are non-deductible in determining taxable profit | 34.47                               | 38.55                               |
| - Changes in recognised temporary differences                              | -                                   | 0.96                                |
| - Others                                                                   | (25.10)                             | (14.46)                             |
| <b>Income Tax expense recognised in Statement of Profit or Loss</b>        | <b>321.59</b>                       | <b>660.80</b>                       |

The tax rate used for the year ended March 31, 2026 and March 31, 2025 reconciliations above is the corporate tax rate of 29.12% payable by corporate entities in India on taxable profits under Indian Income Tax Laws. The above amount excludes tax expense/(reversal) relating to prior years.

## B.1 Movement in Deferred Tax Balances

(₹ in Lakhs)

| Particulars                                                                            | As at<br>March 31,<br>2025 | Recognised<br>in profit and<br>loss account | Recognised<br>in OCI | As at<br>March 31,<br>2026 |
|----------------------------------------------------------------------------------------|----------------------------|---------------------------------------------|----------------------|----------------------------|
| <b>Tax effect of items constituting (deferred tax liabilities)/deferred tax assets</b> |                            |                                             |                      |                            |
| Property, Plant and Equipment and Other Intangible Assets (Refer note D below)         | (3,073.98)                 | 761.60                                      | -                    | (3,835.58)                 |
| Financial assets at amortised cost                                                     | 33.77                      | (9.39)                                      | -                    | 43.16                      |
| Employee Benefits                                                                      | 61.44                      | (6.47)                                      | -                    | 67.91                      |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## B.1 Movement in Deferred Tax Balances (Contd.)

(₹ in Lakhs)

| Particulars                                                        | As at March 31, 2025 | Recognised in profit and loss account | Recognised in OCI | As at March 31, 2026 |
|--------------------------------------------------------------------|----------------------|---------------------------------------|-------------------|----------------------|
| Provisions for Expenses, impairment and Doubtful trade receivables | 863.65               | 7.36                                  | -                 | 856.29               |
| Remeasurement of defined benefit obligations                       | 63.16                | (28.17)                               | (25.11)           | 66.22                |
| Others                                                             | (0.01)               | -                                     | -                 | (0.01)               |
|                                                                    | <b>(2,051.97)</b>    | <b>724.93</b>                         | <b>(25.11)</b>    | <b>(2,802.01)</b>    |
| Minimum Alternate Tax (MAT)                                        | 4,350.46             | 596.39                                | -                 | 4,946.85             |
| <b>Net Tax Asset/(Liabilities)</b>                                 | <b>2,298.49</b>      | <b>128.54</b>                         | <b>(25.11)</b>    | <b>2,144.84</b>      |

## B.2 Movement in Deferred Tax Balances

(₹ in Lakhs)

| Particulars                                                                            | As at March 31, 2024 | Recognised in profit and loss account | Recognised in OCI | As at March 31, 2025 |
|----------------------------------------------------------------------------------------|----------------------|---------------------------------------|-------------------|----------------------|
| <b>Tax effect of items constituting (deferred tax liabilities)/deferred tax assets</b> |                      |                                       |                   |                      |
| Property, Plant and Equipment and Other Intangible Assets                              | (2,609.43)           | 464.55                                | -                 | (3,073.98)           |
| Financial assets at amortised cost                                                     | 224.64               | 190.87                                | -                 | 33.77                |
| Employee Benefits                                                                      | 60.39                | (1.05)                                | -                 | 61.44                |
| Provisions for Expenses, impairment and Doubtful trade receivables                     | 893.08               | 29.43                                 | -                 | 863.65               |
| Remeasurement of defined benefit obligations                                           | 58.72                | (21.35)                               | (16.91)           | 63.16                |
| Others                                                                                 | 0.02                 | 0.03                                  | -                 | (0.01)               |
|                                                                                        | <b>(1,372.58)</b>    | <b>662.48</b>                         | <b>(16.91)</b>    | <b>(2,051.97)</b>    |
| Minimum Alternate Tax (MAT)                                                            | 3,973.37             | 377.09                                | -                 | 4,350.46             |
| <b>Net Tax Asset/(Liabilities)</b>                                                     | <b>2,600.79</b>      | <b>285.39</b>                         | <b>(16.91)</b>    | <b>2,298.49</b>      |

**C.** The Company has carried out necessary adjustments to the deferred tax balances and MAT credit balances as at 31 March 2026 based on applicable tax laws. The Company's Income tax payment for the year is based on MAT provisions u/s 115JB.

**D.** Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. The provision for taxation for the current year has been determined by the Management based on the tax position to be considered for tax filing and its assessment of the probability of acceptance of the same by the taxation authorities.

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## 10. OTHER NON-CURRENT ASSETS

(₹ in Lakhs)

| Particulars                         | As at 31 March 2026 | As at 31 March 2025 |
|-------------------------------------|---------------------|---------------------|
| Capital Advances                    | 418.31              | 3,481.35            |
| Balance with Government Authorities | 3.98                | 3.98                |
| Prepaid Rent                        | 1.40                | 0.33                |
| <b>Total</b>                        | <b>423.69</b>       | <b>3,485.66</b>     |

## 11. INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

(₹ in Lakhs)

| Particulars                                                                                      | As at 31 March 2026 | As at 31 March 2025 |
|--------------------------------------------------------------------------------------------------|---------------------|---------------------|
| (a) Raw Materials (including Goods in Transit amounting to ₹ 80.19 Lakhs (PY-₹ Nil))             | 826.49              | 511.90              |
| (b) Work in Progress                                                                             | 358.45              | 444.99              |
| (c) Finished Goods (other than those acquired for trading)                                       | 688.61              | 866.39              |
| (d) Fuel (including Goods in Transit amounting to ₹ Nil (PY-₹ Nil))                              | 28.11               | 28.44               |
| (e) Stores and Spares (including Goods in Transit amounting to ₹ 20.58 Lakhs (PY-₹ 44.97 Lakhs)) | 511.96              | 384.07              |
| (f) Traded Goods (including Goods in Transit amounting to ₹ Nil (PY-₹ Nil))                      | 36.43               | 73.63               |
| <b>Total</b>                                                                                     | <b>2,450.05</b>     | <b>2,309.42</b>     |

### Notes:

|   |                                                                                                                  |          |          |
|---|------------------------------------------------------------------------------------------------------------------|----------|----------|
| 1 | The cost of inventories recognised as expenses during the year.                                                  | 8,774.09 | 9,684.81 |
| 2 | The cost of inventories recognised as an expense in respect of write downs of inventory to net realisable value. | 62.03    | 58.04    |
| 3 | The method of valuation of inventories has been stated in Note 1.6                                               |          |          |

## 12. OTHER INVESTMENTS-CURRENT

(₹ in Lakhs)

| Particulars                                                                                              | As at 31 March 2026 | As at 31 March 2025 |
|----------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>Investments carried at Fair Value through Profit &amp; Loss</b>                                       |                     |                     |
| <b>Investments in Mutual Funds (quoted)</b>                                                              |                     |                     |
| SBI Premier Liquid Fund-Growth-24,399 units of ₹ 4306.1134 each (P.Y. Nil)                               | 1.05                | -                   |
| LIC Liquid Fund-Growth-15,030.766 units of ₹ 5,001.4502 each (P.Y.31,397.295 units of ₹ 4,709.1846 each) | 751.76              | 1,478.56            |
| <b>Total</b>                                                                                             | <b>752.81</b>       | <b>1,478.56</b>     |
| <b>Aggregate Book value of Investment</b>                                                                | <b>752.81</b>       | <b>1,478.56</b>     |
| <b>Aggregate Market value of Investment</b>                                                              | <b>752.81</b>       | <b>1,478.56</b>     |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## 13. TRADE RECEIVABLES

(₹ in Lakhs)

| Particulars                                                                     | As at 31 March 2026 | As at 31 March 2025 |
|---------------------------------------------------------------------------------|---------------------|---------------------|
| (a) Considered good, Secured (Refer Note 13.01)                                 | 857.99              | 1,108.63            |
| (b) Considered good, Unsecured                                                  | 1,404.08            | 898.49              |
| (c) Receivables which have significant increase in credit risk                  | 92.93               | 132.96              |
|                                                                                 | <b>2,355.00</b>     | <b>2,140.08</b>     |
| <b>Less:</b> Provision for Expected Credit Loss<br>(Refer Note 13.05 and 13.06) | (92.93)             | (132.96)            |
| <b>Total</b>                                                                    | <b>2,262.07</b>     | <b>2,007.12</b>     |

### Notes:

**13.01** Secured Trade Receivables are secured by way of irrevocable Letter of Credits and Bank Guarantees.

**13.02** Trade Receivables includes receivables outstanding from customers constituting individually 5% or more of the total trade receivables as at 31 March 2026 of ₹ 1,224.36 lakhs (PY: ₹ 1,420.22 lakhs) out of which Pipes segment is ₹ 755.58 Lakhs (PY: ₹ 339.97 Lakhs) And Chemical segment is ₹ 468.79 Lakhs (PY: ₹ 1,080.25 Lakhs).

**13.03** The Company has used a practical expedient by computing the expected loss allowance for trade receivables based on provision matrix. The provision matrix takes into account the historical credit loss experience and adjustments for forward looking information. Trade receivables are non-interest bearing and are generally on terms in range of-from advance payment to upto 90 days credit.

### 13.04 Trade Receivables ageing schedule-Outstanding for following periods from due date of payment

As at 31 March 2026

(₹ in Lakhs)

| Particulars                                                                      | Less than 6 months | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | Not Due  | Total    |
|----------------------------------------------------------------------------------|--------------------|------------------|-----------|-----------|-------------------|----------|----------|
| (i) Undisputed Trade Receivables-considered good                                 | 280.99             | 13.49            | 6.29      | -         | 7.80              | 1,953.50 | 2,262.07 |
| (ii) Undisputed Trade Receivables-which have significant increase in credit risk | 41.49              | 19.29            | 14.34     | -         | 17.81             | -        | 92.93    |
| (iii) Undisputed Trade Receivables-Credit Impaired                               | -                  | -                | -         | -         | -                 | -        | -        |
| (iv) Disputed Trade Receivables-considered good                                  | -                  | -                | -         | -         | -                 | -        | -        |
| (v) Disputed Trade Receivables - which have significant increase in credit risk  | -                  | -                | -         | -         | -                 | -        | -        |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## 13.04 Trade Receivables ageing schedule-Outstanding for following periods from due date of payment (Contd.)

As at 31 March 2026

(₹ in Lakhs)

| Particulars                                     | Less than 6 months | 6 months -1 year | 1-2 years    | 2-3 years | More than 3 years | Not Due         | Total           |
|-------------------------------------------------|--------------------|------------------|--------------|-----------|-------------------|-----------------|-----------------|
| (vi) Disputed Trade Receivables-Credit Impaired | -                  | -                | -            | -         | -                 | -               | -               |
|                                                 | <b>322.48</b>      | <b>32.78</b>     | <b>20.63</b> | <b>-</b>  | <b>25.61</b>      | <b>1,953.50</b> | <b>2,355.00</b> |
| <b>Less:</b> Provision for Expected Credit Loss | -                  | -                | -            | -         | -                 | -               | (92.93)         |
| <b>Trade Receivables (Net)</b>                  | -                  | -                | -            | -         | -                 | -               | <b>2,262.07</b> |

As at 31 March 2025

(₹ in Lakhs)

| Particulars                                                                      | Less than 6 months | 6 months -1 year | 1-2 years    | 2-3 years    | More than 3 years | Not Due         | Total           |
|----------------------------------------------------------------------------------|--------------------|------------------|--------------|--------------|-------------------|-----------------|-----------------|
| (i) Undisputed Trade Receivables-considered good                                 | 315.28             | 4.18             | 16.16        | 8.15         | 5.20              | 1,658.15        | 2,007.12        |
| (ii) Undisputed Trade Receivables-which have significant increase in credit risk | 39.35              | 3.69             | 42.64        | 28.88        | 18.40             | -               | 132.96          |
| (iii) Undisputed Trade Receivables-Credit Impaired                               | -                  | -                | -            | -            | -                 | -               | -               |
| (iv) Disputed Trade Receivables-considered good                                  | -                  | -                | -            | -            | -                 | -               | -               |
| (v) Disputed Trade Receivables-which have significant increase in credit risk    | -                  | -                | -            | -            | -                 | -               | -               |
| (vi) Disputed Trade Receivables-Credit Impaired                                  | -                  | -                | -            | -            | -                 | -               | -               |
|                                                                                  | <b>354.63</b>      | <b>7.87</b>      | <b>58.80</b> | <b>37.03</b> | <b>23.60</b>      | <b>1,658.15</b> | <b>2,140.08</b> |
| <b>Less:</b> Provision for Expected Credit Loss                                  | -                  | -                | -            | -            | -                 | -               | (132.96)        |
| <b>Trade Receivables (Net)</b>                                                   | -                  | -                | -            | -            | -                 | -               | <b>2,007.12</b> |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## 13.05 The following table details the risk profile of trade receivables based on the provision matrix

31 March 2026

(₹ in Lakhs)

| Particulars                                      | Not Due  | Less than 6 months | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | Total    |
|--------------------------------------------------|----------|--------------------|------------------|-----------|-----------|-------------------|----------|
| Expected Credit Loss Rate                        | 0%       | 13%                | 59%              | 70%       | 0%        | 70%               | 4%       |
| Estimated total gross carrying amount at Default | 1,953.50 | 322.48             | 32.78            | 20.63     | -         | 25.61             | 2,355.00 |
| Lifetime Expected Credit Loss                    | -        | 41.49              | 19.29            | 14.34     | -         | 17.81             | 92.93    |

31 March 2025

(₹ in Lakhs)

| Particulars                                      | Not Due  | Less than 6 months | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | Total    |
|--------------------------------------------------|----------|--------------------|------------------|-----------|-----------|-------------------|----------|
| Expected Credit Loss Rate                        | 0%       | 11%                | 23%              | 78%       | 78%       | 78%               | 6%       |
| Estimated total gross carrying amount at Default | 1,658.15 | 350.30             | 16.32            | 54.68     | 37.03     | 23.60             | 2,140.08 |
| Lifetime Expected Credit Loss                    | -        | 39.35              | 3.69             | 42.64     | 28.88     | 18.40             | 132.96   |

## 13.06 Movement in Expected credit loss

(₹ in Lakhs)

| Particulars                                                     | For the Year Ended 31 March 2026 | For the Year Ended 31 March 2025 |
|-----------------------------------------------------------------|----------------------------------|----------------------------------|
| Balance at the beginning of the year                            | 132.96                           | 204.63                           |
| Movement in expected credit loss allowance on trade receivables | (40.03)                          | (71.67)                          |
| <b>Balance at the end of the year</b>                           | <b>92.93</b>                     | <b>132.96</b>                    |

## 14A CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

| Particulars                         | For the Year Ended 31 March 2026 | For the Year Ended 31 March 2025 |
|-------------------------------------|----------------------------------|----------------------------------|
| Balance with Banks-Current Accounts | 1.25                             | 441.10                           |
| Cash on hand                        | 1.64                             | 1.00                             |
| <b>Total</b>                        | <b>2.89</b>                      | <b>442.10</b>                    |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## 14B BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

| Particulars                                                                                | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|--------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>In Earmarked accounts</b>                                                               |                                     |                                     |
| - Margin Money Accounts for bank guarantees and letters of credit (Refer note 14B.1 below) | 63.74                               | -                                   |
| - Unpaid Dividend Accounts (Refer Note 26 (i))                                             | 19.84                               | 20.21                               |
| <b>Total</b>                                                                               | <b>83.58</b>                        | <b>20.21</b>                        |

### Note:

**14B.1** ₹ 19.92 Lakhs (PY. 19.92 Lakhs) is placed as lein as per High court order dt 19/02/2025 with respect to writ petition no 2545 of 2025 vs Labour Secretary, Government of Puducherry towards revision of minimum wages for Pondicherry plant. Also refer note 7.1 above.)

## 15. OTHER FINANCIAL ASSETS-CURRENT

(₹ in Lakhs)

| Particulars                         | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|-------------------------------------|-------------------------------------|-------------------------------------|
| <b>(Unsecured, considered good)</b> |                                     |                                     |
| Deposits                            | 19.57                               | 17.59                               |
| Advance to employees                | 2.51                                | 34.57                               |
| Interest accrued on Deposits        | 6.00                                | 3.51                                |
| <b>Total</b>                        | <b>28.08</b>                        | <b>55.67</b>                        |

## 16. OTHER CURRENT ASSETS

(₹ in Lakhs)

| Particulars                         | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|-------------------------------------|-------------------------------------|-------------------------------------|
| <b>(Unsecured, considered good)</b> |                                     |                                     |
| Advances to Vendors                 | 124.82                              | 170.07                              |
| Balance with Government Authorities | 664.22                              | 273.23                              |
| Prepaid expenses                    | 47.59                               | 106.78                              |
| <b>Total</b>                        | <b>836.63</b>                       | <b>550.08</b>                       |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## 17. ASSET HELD FOR SALE

(₹ in Lakhs)

| Particulars                                           | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|-------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>(Also refer accounting policy in note 1.28)</b>    |                                     |                                     |
| Land, Building and Electricals (Refer note (i) below) | 515.70                              | 515.70                              |
| Land-Salt Division 2 (Refer note (ii) below)          | 1,311.82                            | -                                   |
| <b>Total</b>                                          | <b>1,827.52</b>                     | <b>515.70</b>                       |

**Note (i):** The Company is active on the sale of the remaining assets (land, building and other assets).

**Note (ii):** Asset held for sale includes Salt division 2 land of book value of ₹ 1311.82 Lakhs. The Company had entered into an agreement for the sale of the above-mentioned land on 05 May 2025 and an advance of ₹ 1,337.20 Lakhs has been received. The sale is subject to registration of the land.

**Note (iii):** The Company has assessed and concluded that no further adjustments are required to the carrying value of assets held for sale.

## 18. SHARE CAPITAL

(₹ in Lakhs)

| Particulars                                                   | As at 31 March 2026 |                      | As at 31 March 2025 |                      |
|---------------------------------------------------------------|---------------------|----------------------|---------------------|----------------------|
|                                                               | Number of<br>shares | Amount<br>₹ In lakhs | Number of<br>shares | Amount<br>₹ In lakhs |
| (a) Authorised Share Capital                                  |                     |                      |                     |                      |
| Equity shares of ₹ 10 each (with voting rights)               | 2,85,00,000         | 2,850.00             | 2,85,00,000         | 2,850.00             |
| 11% Redeemable Cumulative Preference shares of ₹ 100 each     | 2,64,000            | 264.00               | 2,64,000            | 264.00               |
| 12% Redeemable Cumulative Preference shares of ₹ 100 each     | 8,00,000            | 800.00               | 8,00,000            | 800.00               |
|                                                               |                     | <b>3,914.00</b>      |                     | <b>3,914.00</b>      |
| (b) Issued, Subscribed and Paid up [refer (a) to (e) below]   |                     |                      |                     |                      |
| Equity shares of ₹ 10 each (with voting rights) fully paid up | 1,43,73,702         | 1,437.37             | 1,43,63,702         | 1,436.37             |
| <b>Total</b>                                                  |                     | <b>1,437.37</b>      |                     | <b>1,436.37</b>      |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## (a) Reconciliation of the number of equity shares issued and amount outstanding at the beginning and at the end of the reporting year:

(₹ in Lakhs)

| Particulars                                                                 | Equity Share Capital |                   |                     |                   |
|-----------------------------------------------------------------------------|----------------------|-------------------|---------------------|-------------------|
|                                                                             | As at 31 March 2026  |                   | As at 31 March 2025 |                   |
|                                                                             | Number of shares     | Amount ₹ In lakhs | Number of shares    | Amount ₹ In lakhs |
| <b>Issued, Subscribed and Paid up equity shares</b>                         |                      |                   |                     |                   |
| Shares and Share Capital outstanding at the beginning of the year           | 1,43,63,702          | 1,436.37          | 1,42,26,602         | 1,422.66          |
| <b>Add:</b> Shares and Share Capital issued during the year (Refer Note 47) | 10,000               | 1.00              | 1,37,100            | 13.71             |
| Shares and Share Capital outstanding at the end of the year                 | 1,43,73,702          | 1,437.37          | 1,43,63,702         | 1,436.37          |

## (b) Rights, preferences and restrictions attached to the equity shareholders

The Company has one class of equity shares having par value of ₹ 10 per share. Each shareholder is eligible for one vote per equity share held. The Company declares and pays dividend in Indian Rupees. The dividend proposed by Board of directors is subject to the approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

## (c) The details of equity shareholders holding more than 5 % of the aggregate equity Shares:

(₹ in Lakhs)

| Particulars                      | Equity Share Capital |        |                     |        |
|----------------------------------|----------------------|--------|---------------------|--------|
|                                  | As at 31 March 2026  |        | As at 31 March 2025 |        |
|                                  | Number of shares     | % held | Number of shares    | % held |
| Dr. Rao Holdings Pte Ltd         | 67,61,068            | 47.04% | 67,61,068           | 47.07% |
| Team Hiitec Eqpt Private Limited | 10,72,182            | 7.46%  | 10,72,182           | 7.46%  |
| K. M. Padma                      | 11,10,712            | 7.73%  | 11,10,712           | 7.73%  |
| Suresh Krishnamurthi Rao         | 14,24,423            | 9.91%  | 14,24,423           | 9.92%  |

## (d) Number of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash:

NA

## (e) Refer Note 47 for details regarding employee stock option scheme.

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## (f) Shares held by Promoter at the end of the year:

(₹ in Lakhs)

|                                  | No. of shares |               | % of total shares |               | % Change during the Year |
|----------------------------------|---------------|---------------|-------------------|---------------|--------------------------|
|                                  | Current year  | Previous year | Current year      | Previous year |                          |
| Suresh Krishnamurthi Rao         | 14,24,423     | 14,24,423     | 9.91%             | 9.92%         | (0.01%)                  |
| Padma K.M.                       | 11,10,712     | 11,10,712     | 7.73%             | 7.73%         | 0.00%                    |
| Team Hiitec Eqpt Private Limited | 10,72,182     | 10,72,182     | 7.46%             | 7.46%         | 0.00%                    |
| Dr. Rao Holdings Pte Ltd         | 67,61,068     | 67,61,068     | 47.04%            | 47.07%        | (0.03%)                  |

(g) Pursuant to section 126(2) of the Companies Act 2013, the Company had transferred Nil (PY Nil) number of Equity Shares to Investor Education and Protection Fund during the year ended 31 March 2026.

## 19. OTHER EQUITY

(₹ in Lakhs)

| Particulars                                                                         | As at 31 March 2026 | As at 31 March 2025 |
|-------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>(a) Share Application Money Pending Allotment (Refer Note 1 below)</b>           |                     |                     |
| Opening Balance                                                                     | -                   | 41.09               |
| Share Application Money Received                                                    | 9.78                | 95.29               |
| <b>Less:</b> Shares Allotted during the year                                        | (9.78)              | (136.38)            |
| <b>Closing balance</b>                                                              | -                   | -                   |
| <b>(b) Capital Reserve (Refer Note 2 below)</b>                                     | <b>15.67</b>        | <b>15.67</b>        |
| <b>(c) Capital Redemption Reserve (Refer Note 3 below)</b>                          |                     |                     |
| Opening Balance                                                                     | 960.00              | 960.00              |
| <b>Add:</b> On account of Redemption of Preference Shares                           | -                   | -                   |
| <b>Closing balance</b>                                                              | <b>960.00</b>       | <b>960.00</b>       |
| <b>(d) Securities Premium Reserve (Refer Note 4 below)</b>                          |                     |                     |
| Opening Balance                                                                     | 35,230.07           | 34,995.61           |
| <b>Add:</b> Securities Premium on issue of Equity Shares                            | 17.27               | 234.46              |
| <b>Closing balance</b>                                                              | <b>35,247.34</b>    | <b>35,230.07</b>    |
| <b>(e) Share Based Payment Reserve (Refer Note 5 below)</b>                         |                     |                     |
| Opening Balance                                                                     | 28.32               | 129.02              |
| <b>Add:</b> Employee compensation expense for the year                              | (4.78)              | 11.16               |
| <b>Less:</b> Transfer to Securities Premium for the shares allotted during the year | (8.49)              | (111.86)            |
| <b>Less:</b> ESOP Options lapsed                                                    | (15.05)             | -                   |
| <b>Closing balance</b>                                                              | -                   | <b>28.32</b>        |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## 19. OTHER EQUITY (Contd.)

(₹ in Lakhs)

| Particulars                                                                                                       | As at 31 March 2026 | As at 31 March 2025 |
|-------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>(f) Retained Earnings (Refer Note 6 below)</b>                                                                 |                     |                     |
| Opening Balance                                                                                                   | 3,098.13            | 1,712.98            |
| <b>Add:</b> Profit/(Loss) for the year                                                                            | 750.59              | 1,522.42            |
| <b>Add:</b> ESOP option lapsed                                                                                    | 15.05               | -                   |
| <b>Add:</b> Other Comprehensive income for the year<br>(Remeasurement of the defined benefit plans, net of taxes) | 61.10               | 41.18               |
| <b>Less:</b> Appropriations                                                                                       |                     |                     |
| - Dividend on Equity Shares (Refer Note 8 below)                                                                  | (179.55)            | (178.46)            |
| <b>Closing Balance</b>                                                                                            | <b>3,745.32</b>     | <b>3,098.13</b>     |
| <b>(g) Other Comprehensive Income (Refer Note 7 below)</b>                                                        |                     |                     |
| Opening Balance                                                                                                   | 9.21                | 11.96               |
| <b>Add/(Less):</b> Current Year                                                                                   | (2.02)              | (2.75)              |
| <b>Closing Balance</b>                                                                                            | <b>7.19</b>         | <b>9.21</b>         |
| <b>Total</b>                                                                                                      | <b>39,975.52</b>    | <b>39,341.40</b>    |

### Notes

- This represents Share Application Money received from employees under the ESOP scheme titled "CAESOS 2020" [Chemfab Alkalies Employees Stock Option Scheme 2020]. Also Refer Note 47.
- Capital reserve represents reserve recognised on amalgamation being the difference between consideration amount and net assets of the transferor company and profit on reissue of shares.
- Capital redemption reserve has been created pursuant to Section 55 of the Companies Act, 2013 on account of redemption of preference shares out of the profits of the Company.
- Securities premium reserve represents amount of premium recognised on issue of shares to shareholders at a price more than its face value. The reserve can be utilised only for limited purposes in accordance with the provisions of section 52 of the Companies Act, 2013.
- Shares based payment reserve relates to the share options granted by the company to its employees under its share option plan. Refer Note 47 for further details.
- Retained earnings refer to net earnings not paid out as dividends, but retained by the company to be reinvested in its core business. This amount is available for distribution of dividends to its equity shareholders.
- Other comprehensive income represents the cumulative gain and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of taxes.
- Dividend is paid at ₹ 1.25 per share for 1,43,63,702 shares held on record date 05.09.2025 (PY. At 1.25 per share for 1,42,76,602 shares held on record date 13.09.2024).

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## 20. BORROWINGS

(₹ in Lakhs)

| Particulars                                                                                | As at 31 March 2026 | As at 31 March 2025 |
|--------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>(i) Secured-at amortised cost</b>                                                       |                     |                     |
| - Term Loan from Bank (Refer Note (i), (ii), (iii) and (iv) below)                         | 7,043.00            | 6,379.50            |
| (ii) Loans from Related Parties (unsecured)<br>(Refer note (v) below) (Also Refer note 39) | 1,100.00            | -                   |
|                                                                                            | <b>8,143.00</b>     | <b>6,379.50</b>     |

### Note:

#### Details in respect of Borrowings are as under:

- (i) Term Loan carrying an interest rate of 7.11% p.a average during the year was availed from HDFC Bank Limited and Axis Bank Limited. The borrowings are secured by way of Equitable Mortgage over.
  - (a) leasehold land (taken under 99 years lease by the Company) comprising of 5 acres located in Domestic Tarrif Zone (DTZ) situated in Irugulam Village, Satyavedu Mandal, Chittor District, Andhra Pradesh-Exclusive Charge for term loan of ₹ 3,150 Lakhs and ₹ 3,780 Lakhs from HDFC bank.
  - (b) fixed assets (Building, Plant and Machineries), created out of the term loan of ₹ 1,800 lakhs from HDFC bank out of which ₹ 1,308 Lakhs is outstanding-Exclusive Charge.
  - (c) fixed assets (Plant and Machineries/civil structures), created out of the term loan of ₹ 3,150 lakhs from HDFC bank out of which ₹ 2,047.50 Lakhs is outstanding-Exclusive Charge.
  - (d) fixed assets (Plant and Machineries/civil structures), created out of the term loan of ₹ 3,780 lakhs from HDFC bank out of which ₹ 3,024 Lakhs is outstanding-Exclusive Charge.
  - (e) fixed assets (Plant and Machineries/civil structures), created out of the term loan of ₹ 2,550 lakhs from Axis Bank out of which ₹ 2,550 Lakhs is outstanding-Exclusive Charge.

Out of the above term loans, ₹ 1,886.50 lakhs (PY. ₹ 1674 lakhs) have been classified

as current maturities of long-term debt (secured) under Borrowings-Current. Refer note24).

- (ii) Repayment Summary:

#### Term Loan outstanding of ₹ 1,308 lakhs as at 31 March 2026:

Repayable in 53 monthly instalments of ₹ 24 lakhs each and 1 monthly instalment of ₹ 36 lakhs respectively. Repayment of this tranche of term loan began from October 2023.

#### Term Loan outstanding of ₹ 2,047.50 lakhs as at 31 March 2026:

Repayable in 13 quarterly instalments of ₹ 157.50 lakhs each. This loan was availed in part tranches whose repayment of first availed tranche began from Sept 2024.

#### Term Loan outstanding of ₹ 3,024 lakhs as at 31 March 2026:

Repayable in 48 monthly instalments of ₹ 63 lakhs each. Repayment of this tranche of term loan began from April 2025.

#### Term Loan outstanding of ₹ 2,550 lakhs as at 31 March 2026:

Repayable in 60 monthly instalments of ₹ 42.50 lakhs each. Repayment of this tranche of term loan will begin from Nov 2026.

There were no delays in repayments made by the Company towards the borrowings from banks during the current year and previous year.

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

- (iii) quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts. (Also Refer note 51(v))
- (iv) With respect to the term loan from Axis Bank of ₹ 2550 Lakhs, there was a breach of a financial covenant relating to current ratio (which is one of the 3 ratios stipulated) as at the end of the reporting year. As per the terms of the sanction vide letter dated 15 July 2025, the current ratio was to be  $\geq 1.20$ , whereas the current ratio as at the end of the reporting year is 0.73. As per the requirements of IND AS 1, the lender has agreed after the reporting date but before the approval of the financial statements that the above-mentioned breach will not be considered as an event of default. and consequently, based on the terms of the loan agreement dated 07 October 2025, the loan will not be treated as payable on demand.
- (v) Unsecured loan from related party is repayable from June 2027 onwards in tranches on mutually agreed basis.

## 21. OTHER FINANCIAL LIABILITIES – NON CURRENT

(₹ in Lakhs)

| Particulars                      | As at 31 March 2026 | As at 31 March 2025 |
|----------------------------------|---------------------|---------------------|
| Trade/security deposits received | 60.98               | 54.97               |
|                                  | <b>60.98</b>        | <b>54.97</b>        |

## 22. PROVISIONS – NON CURRENT

(₹ in Lakhs)

| Particulars                            | As at 31 March 2026 | As at 31 March 2025 |
|----------------------------------------|---------------------|---------------------|
| Provision for Gratuity (Refer Note 41) | 130.97              | 125.90              |
| Provision for compensated absences     | 175.74              | 142.12              |
|                                        | <b>306.71</b>       | <b>268.02</b>       |

## 23. OTHER NON – CURRENT LIABILITIES

(₹ in Lakhs)

| Particulars            | As at 31 March 2026 | As at 31 March 2025 |
|------------------------|---------------------|---------------------|
| Advance from Customers | 46.25               | 120.00              |
|                        | <b>46.25</b>        | <b>120.00</b>       |

## 24. BORROWINGS – CURRENT

(₹ in Lakhs)

| Particulars                                      | As at 31 March 2026 | As at 31 March 2025 |
|--------------------------------------------------|---------------------|---------------------|
| <b>From Banks</b>                                | <b>253.13</b>       | <b>200.00</b>       |
| - Cash Credit-Secured (Note (i) and (ii) below)  | 1,000.00            | -                   |
| - Cash Credit-Unsecured (Note (ii) below)        | 1,886.50            | 1,674.00            |
| - Current maturities of long-term debt (secured) | 800.00              | -                   |
| - Loans repayable on demand                      | 208.99              | -                   |
| - Bills discounted with banks (unsecured)        |                     |                     |
|                                                  | <b>4,148.62</b>     | <b>1,874.00</b>     |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## Note:

Details in respect of Current Borrowings are as under:

- (i) Cash Credit facilities and demand loans are secured by way of first charge over the entire current assets of the Company and mortgage over land and building comprising of 9.70 acres belonging to the company situated at East Coast road, Gnanananda Place, Kalapet, Pondicherry. The cash credits are repayable on demand.
- (ii) The Fund Based Cash Credit facilities and Non fund based facilities are sanctioned by HDFC Bank upto ₹ 2,500 Lakhs (PY ₹ 2,500 Lakhs). by Axis Bank upto ₹ 4,500 Lakhs (PY ₹ 2,500 Lakhs) and Shinhan bank upto ₹ 1,000 Lakhs (PY 1,000).
- (iii) Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
- (iv) Also refer Note 20.

## 25. TRADE PAYABLES – CURRENT (REFER NOTE 39 AND 42)

(₹ in Lakhs)

| Particulars                                                                            | As at 31 March 2026 | As at 31 March 2025 |
|----------------------------------------------------------------------------------------|---------------------|---------------------|
| Total Outstanding dues of micro enterprises and small enterprises                      | 58.16               | 79.15               |
| Total Outstanding dues of creditors other than micro enterprises and small enterprises | 3,049.34            | 3,036.23            |
|                                                                                        | <b>3,107.50</b>     | <b>3,115.38</b>     |

Trade payables are non-interest bearing and are normally settled on upto 90 days terms as per terms of the contract.

## The age of the Trade Payables is as under:

As at 31 March 2026

(₹ in Lakhs)

| Particulars               | Outstanding for the following periods from the due date of payment |              |             |                   |               |                 |
|---------------------------|--------------------------------------------------------------------|--------------|-------------|-------------------|---------------|-----------------|
|                           | Less than 1 year                                                   | 1-2 years    | 2-3 years   | More than 3 years | Not Due       | Total           |
| (i) MSME                  | 31.27                                                              | -            | -           | -                 | 26.89         | 58.16           |
| (ii) Others               | 2,673.85                                                           | 52.33        | 6.57        | 23.39             | 293.20        | 3,049.34        |
| (iii) Disputed dues-MSME  | -                                                                  | -            | -           | -                 | -             | -               |
| (iv) Disputed dues-Others | -                                                                  | -            | -           | -                 | -             | -               |
|                           | <b>2,705.12</b>                                                    | <b>52.33</b> | <b>6.57</b> | <b>23.39</b>      | <b>320.09</b> | <b>3,107.50</b> |

The above is including unbilled dues of ₹ 2,099.57 Lakhs.

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

The age of the Trade Payables is as under:

As at 31 March 2025

(₹ in Lakhs)

| Particulars               | Outstanding for the following periods from the due date of payment |             |              |                   |               | Total           |
|---------------------------|--------------------------------------------------------------------|-------------|--------------|-------------------|---------------|-----------------|
|                           | Less than 1 year                                                   | 1-2 years   | 2-3 years    | More than 3 years | Not Due       |                 |
| (i) MSME                  | 16.93                                                              | -           | -            | -                 | 62.22         | 79.15           |
| (ii) Others               | 2,739.87                                                           | 8.50        | 17.62        | 7.68              | 262.56        | 3,036.23        |
| (iii) Disputed dues-MSME  | -                                                                  | -           | -            | -                 | -             | -               |
| (iv) Disputed dues-Others | -                                                                  | -           | -            | -                 | -             | -               |
|                           | <b>2,756.80</b>                                                    | <b>8.50</b> | <b>17.62</b> | <b>7.68</b>       | <b>324.78</b> | <b>3,115.38</b> |

The above is including unbilled dues of ₹ 2,118.66 Lakhs.

## 26. OTHER FINANCIAL LIABILITIES – CURRENT

(₹ in Lakhs)

| Particulars                                                                                   | As at 31 March 2026 | As at 31 March 2025 |
|-----------------------------------------------------------------------------------------------|---------------------|---------------------|
| Creditors for Capital Goods                                                                   | 1,427.09            | 182.72              |
| Unpaid Dividends (Refer Note (i) below)                                                       | 19.84               | 20.21               |
| Interest accrued but not due                                                                  | 45.72               | 47.84               |
|                                                                                               | <b>1,492.65</b>     | <b>250.77</b>       |
| <b>Note:</b>                                                                                  |                     |                     |
| (i) Amounts remitted to Investor Education and Protection Fund during the year                | 2.99                | -                   |
| (ii) Amounts pending to be remitted to Investor Education and Protection Fund during the year | 2.87                | 2.99                |

## 27. PROVISIONS – CURRENT

(₹ in Lakhs)

| Particulars                                             | As at 31 March 2026 | As at 31 March 2025 |
|---------------------------------------------------------|---------------------|---------------------|
| Provision for compensated absences                      | 23.45               | 34.78               |
| Provision for Warranty (Refer Note 1.20 and Note below) | 32.05               | 25.70               |
| Provision for Gratuity (Refer Note 41)                  | 96.45               | 91.00               |
|                                                         | <b>151.95</b>       | <b>151.48</b>       |

**Note:**

The Company carries a provision for warranty, the details of which are as under:

(₹ in Lakhs)

| Particulars                               | As at 31 March 2026 | As at 31 March 2025 |
|-------------------------------------------|---------------------|---------------------|
| <b>Opening Balance</b>                    | 25.70               | 46.72               |
| Provision made/(Reversed) during the year | 6.35                | -                   |
| Provision made during the year            |                     | (21.02)             |
| Amounts Utilised/Paid during the year     | -                   | -                   |
| <b>Closing Balance</b>                    | <b>32.05</b>        | <b>25.70</b>        |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## 28. CURRENT TAX LIABILITIES (NET)

(₹ in Lakhs)

| Particulars                                                                                                     | As at 31 March 2026 | As at 31 March 2025 |
|-----------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| Provision for Tax (Net of Income Tax paid/TDS of ₹ 3,072.72 lakhs)<br>(As at 31 March 2025 of ₹ 3,072.77 lakhs) | 102.62              | 109.32              |
|                                                                                                                 | <b>102.62</b>       | <b>109.32</b>       |

## 29. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

| Particulars                                                        | As at 31 March 2026 | As at 31 March 2025 |
|--------------------------------------------------------------------|---------------------|---------------------|
| Statutory liabilities                                              | 499.66              | 408.38              |
| Advance received for Assets held for sale (Also refer note 17(ii)) | 1,337.20            | -                   |
| Advance from Customers                                             | 343.95              | 910.85              |
|                                                                    | <b>2,180.81</b>     | <b>1,319.23</b>     |

## 30. REVENUE FROM OPERATIONS

(₹ in Lakhs)

| Particulars                            | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|----------------------------------------|-------------------------------------|-------------------------------------|
| a Sales of Products (Refer note below) | 28,837.99                           | 32,185.34                           |
| b Other operating revenues             |                                     |                                     |
| - Testing charges                      | 18.61                               | 23.71                               |
| <b>Total</b>                           | <b>28,856.60</b>                    | <b>32,209.05</b>                    |

### Note:

Revenue for sale of products is net of rebates/incentives/discounts for the year ended 31 March 2026 amounting to ₹ 426.05 Lakhs (previous year ₹ 194.70 Lakhs).

### 30.1 Disaggregation of the revenue Information

The table below presents disaggregated revenues from contracts with customers by geography, offerings and contract-type for each of our business segments.

As per the management, the below disaggregation best depicts the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

(₹ in Lakhs)

| Particulars                                        | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|----------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Revenue by Geography</b>                        |                                     |                                     |
| India                                              | 28,840.82                           | 32,112.97                           |
| Outside India                                      | 15.78                               | 96.08                               |
| <b>Total revenue from contracts with customers</b> | <b>28,856.60</b>                    | <b>32,209.05</b>                    |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## 30.1 Disaggregation of the revenue Information (Contd.)

(₹ in Lakhs)

| Particulars                                        | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|----------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Revenue by offerings</b>                        |                                     |                                     |
| <b>Manufactured goods</b>                          |                                     |                                     |
| <b>Chemicals &amp; Related Products/Services</b>   |                                     |                                     |
| - Caustic Soda Lye                                 | 15,139.54                           | 15,187.13                           |
| - Caustic Soda Flakes                              | 2,140.41                            | 1,812.15                            |
| - Chlorine                                         | (215.56)                            | 31.60                               |
| - Hydrogen                                         | 1,005.47                            | 982.40                              |
| - Aluminium Chloride                               | 198.63                              | -                                   |
| - Others                                           | 1,097.34                            | 1,027.01                            |
| <b>PVCO-Pipes</b>                                  |                                     |                                     |
| - PVC-O Pipes                                      | 8,796.99                            | 11,996.22                           |
| - Others                                           | 329.60                              | 208.29                              |
| <b>Traded Goods</b>                                |                                     |                                     |
| <b>Chemicals &amp; Related Products/Services</b>   |                                     |                                     |
| - Caustic Soda Lye                                 | -                                   | -                                   |
| - Others                                           | 184.39                              | -                                   |
| <b>PVCO-Pipes</b>                                  |                                     |                                     |
| - PVC-O Pipes                                      | -                                   | 940.54                              |
| - Resin                                            | 158.99                              | -                                   |
| - Others                                           | 2.19                                | -                                   |
| <b>Other Operating Income</b>                      |                                     |                                     |
| <b>Chemicals &amp; Related Products/Services</b>   |                                     |                                     |
| - Testing Charges                                  | 18.61                               | 23.71                               |
| <b>Total revenue from contracts with customers</b> | <b>28,856.60</b>                    | <b>32,209.05</b>                    |
| <b>Timing of recognition</b>                       |                                     |                                     |
| Goods & Services transferred at a point in time    | 28,856.60                           | 32,209.05                           |
| <b>Total revenue from contracts with customers</b> | <b>28,856.60</b>                    | <b>32,209.05</b>                    |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## 30.2 Trade Receivables and Contract Balances

The Company classifies the right to consideration in exchange for deliverables as receivable. A receivable is a right to consideration that is unconditional upon passage of time. Revenue is recognized as and when the related goods are delivered to the customer. Trade receivable are presented net of impairment in the Balance Sheet.

Contract liabilities include payments received in advance of performance under the contract, and are realized with the associated revenue recognized under the contract.

## 30.3 Transaction price allocated to the remaining performance obligations

(₹ in Lakhs)

| Particulars                     | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|---------------------------------|-------------------------------------|-------------------------------------|
| <b>Contract Balances</b>        |                                     |                                     |
| Gross Trade Receivables         | 2,355.00                            | 2,140.08                            |
| Advance received from customers | 390.20                              | 1,030.85                            |

The Company has applied practical expedient and has not disclosed information about remaining performance obligations in contracts where the original contract duration is one year or less or where the entity has the right to consideration that corresponds directly with the value of entity's performance completed to date.

## 30.4 Information about major customers

The Company is a manufacturer of caustic soda lye, flakes, liquid chlorine, hydrogen gas, pvco pipes and other products.

Revenues arising from direct sales above includes revenues of approximately ₹ 4,592.40 Lakhs (Previous Year ₹ 7,339.73 Lakhs) which arose from sales to the company's single largest customer in Chemical segment and ₹ Nil in PVCO segment. (Previous Year ₹ 1,471.98 Lakhs). No other single customers contributed 10% or more to the Company's revenue during the current year.

## 31. OTHER INCOME

(₹ in Lakhs)

| Particulars                                                                           | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|---------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>(a) Interest Income:</b>                                                           |                                     |                                     |
| - Interest on fixed deposits with banks                                               | 3.67                                | 11.31                               |
| - Interest income on Income Tax refund                                                | 14.84                               | -                                   |
| - Other Interest income                                                               | 25.92                               | 71.17                               |
| <b>(b) Dividend income</b>                                                            | 0.08                                | -                                   |
| <b>(c) Other Non Operating Income:</b>                                                |                                     |                                     |
| - Other Financial Assets (at Fair Value through Profit & Loss) (Refer note (i) below) | 20.70                               | 7.94                                |
| - Profit on Sale of Property, Plant & Equipment (Net)                                 | 256.34                              | 63.92                               |
| - Liabilities no longer required written back                                         | 97.66                               | 163.69                              |
| - Electricity Subsidy Receipt                                                         | 36.34                               | -                                   |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## 31. OTHER INCOME (Contd.)

(₹ in Lakhs)

| Particulars                                               | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|-----------------------------------------------------------|-------------------------------------|-------------------------------------|
| - Miscellaneous Income                                    | 61.58                               | 87.19                               |
| - Provision for Expected credit Loss on Trade Receivables | 40.03                               | 71.35                               |
| - Exchange variation (Net)                                | 270.29                              | 108.35                              |
| <b>Total</b>                                              | <b>827.45</b>                       | <b>584.92</b>                       |

### Note:

(i) The amount represents a net gain on investments in Mutual Funds (Refer Note 12) comprising of an net change in fair value of ₹ (1.25) Lakhs net of reversals on account of realised gain on redemptions (PY ₹ 3.27 Lakhs) and gain on redemption of investments of ₹ 21.95 Lakhs received during the year (PY ₹ 4.67 Lakhs).

## 32A COST OF MATERIALS CONSUMED

(₹ in Lakhs)

| Particulars                             | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|-----------------------------------------|-------------------------------------|-------------------------------------|
| Opening Stock                           | 511.90                              | 495.42                              |
| <b>Add:</b> Purchases                   | 7,778.16                            | 8,903.38                            |
|                                         | <b>8,290.06</b>                     | <b>9,398.80</b>                     |
| <b>Less:</b> Sale of Raw Materials      | -                                   | 394.83                              |
| <b>Less:</b> Closing Stock              | 826.49                              | 511.90                              |
| Cost of Materials consumed              | 7,463.57                            | 8,492.07                            |
| <b>Materials Consumed Comprises of:</b> |                                     |                                     |
| Salt                                    | 2,951.44                            | 2,718.85                            |
| PVC Resin                               | 3,231.80                            | 4,853.62                            |
| Aluminium                               | 261.89                              | -                                   |
| Others (Refer Note (i) below)           | 1,018.44                            | 919.60                              |
| <b>Total</b>                            | <b>7,463.57</b>                     | <b>8,492.07</b>                     |

### Note:

(i) Others include raw materials none of which individually accounts for more than 10 % of the total consumption.

## 32B PURCHASE OF STOCK IN TRADE

(₹ in Lakhs)

| Particulars  | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|--------------|-------------------------------------|-------------------------------------|
| - PVCO-Pipes | -                                   | 711.18                              |
| - PVC Resin  | 113.04                              | -                                   |
| - Others     | 155.36                              | 24.05                               |
|              | <b>268.40</b>                       | <b>735.23</b>                       |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## 33. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

(₹ in Lakhs)

| Particulars                    | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|--------------------------------|-------------------------------------|-------------------------------------|
| <b>Opening Stock</b>           |                                     |                                     |
| Finished goods                 | 866.39                              | 452.50                              |
| Work-in-Progress               | 444.99                              | 184.23                              |
|                                | <b>1,311.38</b>                     | <b>636.73</b>                       |
| <b>Closing Stock</b>           |                                     |                                     |
| Finished goods                 | 688.61                              | 866.39                              |
| Work-in-Progress               | 358.45                              | 444.99                              |
|                                | <b>1,047.06</b>                     | <b>1,311.38</b>                     |
| <b>Net (Increase)/decrease</b> | <b>264.32</b>                       | <b>(674.65)</b>                     |

## 34. OTHER DIRECT MANUFACTURING EXPENSES

(₹ in Lakhs)

| Particulars    | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|----------------|-------------------------------------|-------------------------------------|
| Power and Fuel | 10,529.89                           | 11,229.11                           |
| Labour Charges | 545.44                              | 487.43                              |
| <b>Total</b>   | <b>11,075.33</b>                    | <b>11,716.54</b>                    |

## 35. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

| Particulars                                                  | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|--------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Salaries and Wages                                           | 1,993.00                            | 1,858.49                            |
| Contribution to Provident and other Funds (Refer Note 41)    | 302.01                              | 286.10                              |
| Expense on employee stock based compensation (Refer Note 47) | -                                   | 11.16                               |
| Staff Welfare Expenses                                       | 151.55                              | 133.96                              |
| <b>Total</b>                                                 | <b>2,446.56</b>                     | <b>2,289.71</b>                     |

**Note:** The Company has estimated and recognized the impact of implementation of the New Labour Codes under Employee benefits expense for the year ended 31 March 2026. The impact of the same is not material for the year.

The Company continues to monitor the notification of State Rules and further clarifications from the Government in respect of other aspects of the Labour Codes. Any additional impact arising from such developments will be assessed and appropriately accounted for in the books as and when such rules are notified or clarifications are issued.

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## 36. FINANCE COST

(₹ in Lakhs)

| Particulars                                | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|--------------------------------------------|-------------------------------------|-------------------------------------|
| Interest on Borrowings                     | 706.35                              | 475.69                              |
| Interest on Lease Liability (Refer Note 3) | 21.22                               | 15.89                               |
| Others                                     | 26.44                               | -                                   |
| <b>Total</b>                               | <b>754.01</b>                       | <b>491.58</b>                       |

## 37. OTHER EXPENSES

(₹ in Lakhs)

| Particulars                                                    | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|----------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Stores and Spare parts consumed                                | 777.80                              | 1,132.16                            |
| Rent                                                           | 60.20                               | 30.94                               |
| <b>Repairs and Maintenance</b>                                 |                                     |                                     |
| - Plant and Equipment                                          | 484.35                              | 414.27                              |
| - Buildings                                                    | 65.24                               | 95.89                               |
| Insurance                                                      | 250.67                              | 197.17                              |
| Rates and Taxes                                                | 67.96                               | 51.37                               |
| Travelling Expenses                                            | 265.49                              | 277.55                              |
| <b>Auditor's Remuneration (net of GST input credit)</b>        |                                     |                                     |
| - Statutory Audit                                              | 19.50                               | 19.50                               |
| - Limited Review                                               | 4.50                                | 4.50                                |
| - Others                                                       | 8.00                                | 3.00                                |
| - Out of Pocket Expenses                                       | 0.96                                | 0.81                                |
| Commission to Directors (Refer Note 39)                        | 89.00                               | 230.00                              |
| Sitting Fees (Refer Note 39)                                   | 10.65                               | 10.40                               |
| Expenditure on Corporate Social Responsibility (Refer Note 43) | 105.51                              | 122.39                              |
| Legal and Professional Fees                                    | 198.83                              | 148.11                              |
| Freight (Net)                                                  | 795.55                              | 900.97                              |
| Advertisement                                                  | 11.77                               | 32.66                               |
| Bad receivables/Other advances written off                     | 39.08                               | 76.79                               |
| Bank Charges                                                   | 22.26                               | 52.91                               |
| Job work Expenses                                              | 85.32                               | -                                   |
| Miscellaneous Expenses                                         | 534.58                              | 520.09                              |
| <b>Total</b>                                                   | <b>3,897.22</b>                     | <b>4,321.48</b>                     |
| <b>Note:</b>                                                   |                                     |                                     |
| <b>(i) Miscellaneous Expenses includes:</b>                    |                                     |                                     |
| - Donations                                                    | 10.00                               | 10.00                               |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

38.

(₹ in Lakhs)

| Particulars                                                                                                                                                                                                                                                | As at 31 March 2026 | As at 31 March 2025 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>a. Commitments</b>                                                                                                                                                                                                                                      |                     |                     |
| (i) Estimated amount of contracts remaining to be executed and not provided for in these accounts (net of advances) in respect of purchase of:                                                                                                             |                     |                     |
| - Property Plant and Equipment                                                                                                                                                                                                                             | 439.66              | 5,623.23            |
| <b>b. Contingent liabilities in respect of</b>                                                                                                                                                                                                             |                     |                     |
| (i) Claims against the Company not Acknowledged as debt                                                                                                                                                                                                    | -                   | 83.16               |
| (ii) Corporate Guarantee/Letters of Comfort (Refer note (i) below)                                                                                                                                                                                         | 1,000.00            | 1,000.00            |
| (iii) Sales tax, Excise, Service Tax, Customs Duty and other demands against which the Company has filed appeals and for which no provision is considered required as the Company is hopeful of successful outcome in the appeals. (Refer note (ii) below) | 179.44              | 157.72              |

**Note (i):** Details of corporate guarantee/comfort letters issued on behalf of related parties are as follows:

(₹ in Lakhs)

| Particulars               | Beneficiary | As at 31 March 2026 | As at 31 March 2025 |
|---------------------------|-------------|---------------------|---------------------|
| Chemfab Karaiikal Limited | HDFC Bank   | 1,000.00            | 1,000.00            |

The purpose of the above corporate guarantee issued was towards securing financing facilities to the above mentioned related parties.

**Note (ii):**

(₹ in Lakhs)

| Sl No. | Name of the Statute          | Nature of Dues (Including Interest) | Disputed Amount (Net of Provision)<br>₹ In lakhs | Period (F.Y)              | Forum where dispute is pending             |
|--------|------------------------------|-------------------------------------|--------------------------------------------------|---------------------------|--------------------------------------------|
| 1      | The Finance Act, 1994        | Service Tax                         | 8.15<br>(7.80)                                   | June 2005 to January 2008 | Commissioner (Appeals), Chennai            |
| 2      | The Central Excise Act, 1944 | Excise Duty                         | 2.47<br>(2.35)                                   | October 2011 to June 2012 | Commissioner of Central Excise, Puducherry |
| 3      | The Customs Act, 1962        | Customs Duty                        | 102.47<br>(95.67)                                | F.Y. 2013-14              | CESTAT                                     |
| 4      | The Income Act, 1961         | Income Tax                          | 66.35<br>(51.90)                                 | F.Y. 2002-03              | The High Court of Madras                   |

**Notes:**

(i) The amounts shown above represent best possible estimate carried on the basis of the available information. The uncertainties and possible reimbursement are dependent on the outcome of the various case proceedings which have been initiated by the Company or the claimants, as the case may be, and therefore cannot be predicted accurately.

(ii) Figures in bracket indicate previous year figures.

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## 39.RELATED PARTY DISCLOSURES

### a) List of Related parties and description of relationship

(₹ in Lakhs)

|                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                      |
|--------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (i) Individuals exercising Significant influence                                           | Mr. Suresh Krishnamurthi Rao-Chairman                                                                                                                                                                                                                                                                                                                                                                |
| (ii) Relatives of above                                                                    | Mrs. K.M. Padma (Mother of Mr. Suresh Krishnamurthi Rao)                                                                                                                                                                                                                                                                                                                                             |
| (iii) Entities exercising significant influence over the Company                           | Dr. Rao Holdings Pte Ltd                                                                                                                                                                                                                                                                                                                                                                             |
| (iv) Entities in which persons listed in (i) and (ii) above exercise significant influence | Team Hiitec Eqpt Private Limited                                                                                                                                                                                                                                                                                                                                                                     |
| (v) Wholly owned Subsidiary                                                                | Chemfab Karaiikal Limited (Formerly Known as Chemfab Karaiikal Limited)<br>Chemfab Hiitech Piping Limited                                                                                                                                                                                                                                                                                            |
| (vi) Key Management Personnel (KMP)                                                        | Mr. V.M. Srinivasan – Chief Executive Officer<br>Mr. S. Prasath – Chief Financial Officer                                                                                                                                                                                                                                                                                                            |
| (vii) Directors                                                                            | Mr. Nitin Cowlagi Seshgiri – Non Executive Director<br>Mr. C.S. Ramesh – Non Executive Director***<br>Mrs. Drushti Desai – Non Executive Director<br>Mr. Janakiraman A. – Non Executive Director<br>Mr. Mahendran R. – Non Executive Director<br>Mrs. Sujatha Jayarajan – Non Executive Director<br>Mr. Satish Narain Jajoo – Non Executive Director**<br>Mr. T.Ramabadran – Non Executive Director* |
| (viii) Other related party                                                                 | Chemfab Alkalis Limited Employee's Group Gratuity Trust                                                                                                                                                                                                                                                                                                                                              |

**Note 1:** The list above includes only parties with transactions during the year.

#### Note 2:

\* Mr. T. Ramabadran retired with effect from closing business hours of 31 March 2024.

\*\* Mr Satish Narain Jajoo-Non Executive Director was appointed from 30 May 2025.

\*\*\* Mr C.S. Ramesh-Non Executive Director retired with effect from 31 July 2025.

### b) Transactions with related parties:

(₹ in Lakhs)

| Nature of Transaction                  | Related Party                    | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|----------------------------------------|----------------------------------|-------------------------------------|-------------------------------------|
| <b>1. Transactions during the year</b> |                                  |                                     |                                     |
| <b>a) Income</b>                       |                                  |                                     |                                     |
| Sale of Products                       | Team Hiitec Eqpt Private Limited | 4.89                                | 6.87                                |
| Sale of Goods and Services             | Chemfab Karaiikal Limited        | 2.01                                | 3.84                                |
| Sale of Property, Plant & Equipment    | Chemfab Karaiikal Limited        | -                                   | 3.93                                |
| Interest Income on Loan                | Chemfab Karaiikal Limited        | -                                   | 42.86                               |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## b) Transactions with related parties: (Contd.)

(₹ in Lakhs)

| Nature of Transaction                                                                                           | Related Party                    | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|-----------------------------------------------------------------------------------------------------------------|----------------------------------|-------------------------------------|-------------------------------------|
| <b>b) Expenditure</b>                                                                                           |                                  |                                     |                                     |
| Purchase of Goods and Services                                                                                  | Team Hiitec Eqpt Private Limited | 247.77                              | 25.54                               |
| Lease Rent                                                                                                      | Team Hiitec Eqpt Private Limited | 1.22                                | 1.70                                |
| Interest on Inter Corporate Deposit                                                                             | Team Hiitec Eqpt Private Limited | 38.55                               | -                                   |
| Interest on Inter Corporate Deposit                                                                             | Chemfab Karaiikal Limited        | 0.12                                | -                                   |
| Purchase of Goods and Services                                                                                  | Chemfab Karaiikal Limited        | 216.71                              | 120.33                              |
| Purchase of Property, Plant & Equipment                                                                         | Chemfab Karaiikal Limited        | 2,789.14                            | 152.28                              |
| Salaries, Perquisites and post employment benefits                                                              | Mr. V.M. Srinivasan              | 167.20                              | 654.63                              |
|                                                                                                                 | Mr. S. Prasath                   | 50.28                               | 197.51                              |
| <b>c) Others</b>                                                                                                |                                  |                                     |                                     |
| Inter Corporate Deposit taken                                                                                   | Team Hiitec Eqpt Private Limited | 1,100.00                            | -                                   |
| Inter Corporate Deposit taken and repaid                                                                        | Chemfab Karaiikal Limited        | 75.00                               | -                                   |
| Investment in Equity Share Capital                                                                              | Chemfab Hiitech Piping Limited   | 5.00                                | -                                   |
| Investment in Preference Share Capital                                                                          | Chemfab Karaiikal Limited        | -                                   | 4,400.00                            |
| Commission (paid out of the provision made during the previous year)                                            | Mr. Suresh Krishnamurthi Rao     | 200.00                              | 412.50                              |
| Commission (paid out of the provision made during the previous year) and Sitting Fees (accrued during the year) | Mr. C. S. Ramesh                 | 5.70                                | 9.60                                |
|                                                                                                                 | Mrs. Drushti Desai               | 7.08                                | 9.30                                |
|                                                                                                                 | Mr. Janakiraman A.               | 6.90                                | 9.50                                |
|                                                                                                                 | Mr. Mahendran R.                 | 6.50                                | 8.80                                |
|                                                                                                                 | Mrs. Sujatha Jayarajan           | 6.70                                | 9.20                                |
|                                                                                                                 | Mr. T.Ramabadran                 | -                                   | 7.50                                |
|                                                                                                                 | Mr. Sathish Narain Jajoo         | 1.30                                | -                                   |
|                                                                                                                 | Mr. Nitin Cowlagi Seshgiri       | 6.48                                | 9.00                                |
|                                                                                                                 | Chemfab Karaiikal Limited        | 0.86                                | 0.77                                |
| Contractually reimbursable expenses                                                                             | Team Hiitec Eqpt Private Limited | 11.17                               | 13.14                               |
|                                                                                                                 | Chemfab Karaiikal Limited        | 0.86                                | 0.77                                |
|                                                                                                                 | Chemfab Hiitech Piping Limited   | 1.04                                | -                                   |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## b) Transactions with related parties: (Contd.)

(₹ in Lakhs)

| Nature of Transaction                                   | Related Party                                               | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|---------------------------------------------------------|-------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Contribution to employees post employment benefit plans | Chemfab Alkalies Limited<br>Employee's Group Gratuity Trust | 1.76                                | 2.81                                |
| Corporate Guarantee Given                               | Chemfab Karaikal Limited                                    | 1,000.00                            | 1,000.00                            |
| Dividend paid (Including TDS)                           | Mr. Suresh Krishnamurthi Rao                                | 17.81                               | 17.81                               |
|                                                         | Mrs. K.M. Padma                                             | 13.88                               | 13.88                               |
|                                                         | Dr Rao Holdings Pte Ltd                                     | 84.51                               | 84.51                               |
|                                                         | Team Hiitec Eqpt Private Limited                            | 13.40                               | 13.40                               |
|                                                         | Mr. V.M. Srinivasan                                         | 3.25                                | 2.80                                |
|                                                         | Mr. Prasath S                                               | 0.50                                | 0.33                                |
|                                                         | Mr. Nitin Cowlagi Seshgiri                                  | 0.70                                | 0.70                                |

### Note:

- Purchases, Sales and Services above are inclusive of taxes.
- The above excludes Provision for Commission to Directors of ₹ 89 lakhs (PY-₹ 230 lakhs) made during the year.

(₹ in Lakhs)

| Nature of Transaction                                                                                             | Related Party                                               | As at 31 March 2026 | As at 31 March 2025 |
|-------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|---------------------|---------------------|
| <b>II. Balances Outstanding at the end of the year</b>                                                            |                                                             |                     |                     |
| Payables                                                                                                          | Team Hiitec Eqpt Private Limited                            | 18.19               | -                   |
| Inter Corporate Deposit                                                                                           | Team Hiitec Eqpt Private Limited                            | 1,100.00            | -                   |
| Advances                                                                                                          | Chemfab Karaikal Limited                                    | 867.78              | 1,543.58            |
| Receivable                                                                                                        | Chemfab Karaikal Limited                                    | 0.14                | 0.08                |
| Investment in Subsidiary-<br>Equity Share Capital                                                                 | Chemfab Karaikal Limited                                    | 532.00              | 532.00              |
| Investment in Subsidiary<br>(Including share application<br>money pending allotment)-<br>Preference Share Capital | Chemfab Karaikal Limited                                    | 14,400.00           | 14,400.00           |
| Other employment benefits payable                                                                                 | Mr. V.M. Srinivasan                                         | 68.04               | 55.02               |
|                                                                                                                   | Mr. Prasath S                                               | 21.54               | 17.85               |
|                                                                                                                   | Chemfab Karaikal Limited                                    | 9.82                | 6.68                |
| Contribution to employees post employment benefit plans                                                           | Chemfab Alkalies Limited<br>Employee's Group Gratuity Trust | 619.53              | 577.51              |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

Benefits included in Compensation of key management personnel of the Company are as below:

(₹ in Lakhs)

| Particulars                                 | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|---------------------------------------------|-------------------------------------|-------------------------------------|
| Mr. V.M. Srinivasan                         |                                     |                                     |
| Salary and perquisite                       | 157.90                              | 168.20                              |
| Share-based payment transactions perquisite | -                                   | 478.39                              |
| Post employment benefits                    | 9.30                                | 8.04                                |
| <b>Total</b>                                | <b>167.20</b>                       | <b>654.63</b>                       |
| Mr. Prasath S                               |                                     |                                     |
| Salary and perquisite                       | 42.98                               | 37.88                               |
| Share-based payment transactions perquisite | -                                   | 152.21                              |
| Post employment benefits                    | 7.31                                | 7.42                                |
| <b>Total</b>                                | <b>50.28</b>                        | <b>197.51</b>                       |

## 40. EARNINGS PER SHARE

Net Profit for the year has been used as the numerator and number of shares has been used as denominator for calculating the basic and diluted earnings per share.

(₹ in Lakhs)

| Particulars                                                                | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|----------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Face Value Per Share-₹                                                     | 10.00                               | 10.00                               |
| Net Profit/(Loss) attributable to the Equity shareholders (A) - ₹ In Lakhs | 750.59                              | 1,522.42                            |
| Weighted average Number of Shares (B)                                      | 1,43,68,847                         | 1,42,88,591                         |
| <b>Add:</b> Effects of ESOP which are dilutive in nature                   | -                                   | 53,959                              |
| Weighted average Number of Shares for Diluted EPS (C)                      | 1,43,68,847                         | 1,43,42,550                         |
| Basic Earnings per Share (A/B)-₹                                           | 5.22                                | 10.65                               |
| Diluted Earnings per Share (A/C) - ₹                                       | 5.22                                | 10.61                               |

## 41. EMPLOYEE BENEFIT PLANS

### I. Defined contribution plans

The Company makes Provident Fund, Superannuation Fund which are defined contribution plans, for qualifying employees. During the year, the Company has recognised the following amounts under Defined Contribution Plan in the Statement of Profit and Loss:

(₹ in Lakhs)

| Particulars                                              | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|----------------------------------------------------------|-------------------------------------|-------------------------------------|
| Employer's Contribution to Provident Fund/Pension Scheme | 144.27                              | 124.20                              |
| Employer's Contribution to Superannuation Fund           | 16.02                               | 17.95                               |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## I. Defined contribution plans (Contd.)

(₹ in Lakhs)

| Particulars                                                         | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|---------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Employer's Contribution to Employee Deposit Linked Insurance scheme | 1.85                                | 17.98                               |
|                                                                     | <b>162.14</b>                       | <b>160.13</b>                       |

## II. Defined benefit plans

The Company operates a gratuity plan covering qualifying employees. The benefit payable is calculated as per the Code on Social Security, 2020 (CSS) effective 21 November 2025. The provision includes amount payable to "fixed term employees" who have been in continuous service for a period of 1 year in addition to other employees who are eligible for gratuity benefits post the continuous employment period of 5 years. As per the said Code on Social Security, 2020, gratuity entitlement is based on the last drawn wages computed proportionately for 15 days for every year of completed service or part thereof in excess of six months. Previously, estimation was based on the provisions of the Payment of Gratuity Act, 1972. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India and Aditya Birla Sun Life Insurance Company Limited. Gratuity has been accrued based on actuarial valuation as at the balance sheet date, carried out by an independent actuary.

(a) Amount recognised in the statement of profit & loss in respect of the defined benefit plan are as follows:

(₹ in Lakhs)

| Particulars                                                                                                 | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|-------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Recognised in Statement of Profit and Loss</b>                                                           |                                     |                                     |
| Current service cost                                                                                        | 102.23                              | 112.29                              |
| Past service cost                                                                                           | 23.96                               | -                                   |
| Net interest expense                                                                                        | 13.68                               | 13.68                               |
| <b>Components of defined benefit costs recognised in the Statement of Profit and Loss</b>                   | <b>139.87</b>                       | <b>125.97</b>                       |
| <b>Remeasurement on the net defined benefit liability:</b>                                                  |                                     |                                     |
| Return on plan assets (excluding amount included in net interest expense)                                   | (2.96)                              | 0.48                                |
| Actuarial gains and loss arising from changes in financial assumptions                                      | (83.25)                             | (58.57)                             |
| <b>Components of defined benefit costs recognised in Other Comprehensive Income</b>                         | <b>(86.21)</b>                      | <b>(58.09)</b>                      |
| <b>Total defined benefit cost recognised in Statement of Profit and Loss and Other Comprehensive Income</b> | <b>53.66</b>                        | <b>67.88</b>                        |

- The current service cost and interest expense for the year are included in the "Employee Benefit Expenses" in the statement of profit & loss under the line item "Contribution to Provident and Other Funds".
- The remeasurement of the net defined benefit liability is included in other comprehensive income.

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

(b) The amount included in the balance sheet arising from the entity's obligation in respect of defined benefit plan is as follows:

(₹ in Lakhs)

| Particulars                                                  | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|--------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Net asset/(liability) recognised in the Balance Sheet</b> |                                     |                                     |
| 1. Present value of defined benefit obligation               | (846.95)                            | (794.41)                            |
| 2. Fair value of plan assets                                 | 619.53                              | 577.51                              |
| <b>Net asset/(liability) recognised in the Balance Sheet</b> | <b>(227.42)</b>                     | <b>(216.90)</b>                     |
| Current portion of the liability included under Note 27      | 96.45                               | 91.00                               |
| Non-Current portion of the liability included under Note 22  | 130.97                              | 125.90                              |
|                                                              | <b>227.42</b>                       | <b>216.90</b>                       |

(c) Movement in the present value of the defined benefit obligation are as follows:

(₹ in Lakhs)

| Particulars                                                               | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|---------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Present value of defined benefit obligation at the beginning of the year  | 794.41                              | 739.24                              |
| <b>Expenses Recognised in Statement of Profit and Loss:</b>               |                                     |                                     |
| - Current service cost                                                    | 102.23                              | 112.29                              |
| - Past service cost                                                       | 23.96                               | -                                   |
| - Interest cost                                                           | 50.98                               | 51.25                               |
| Recognised in Other Comprehensive Income:                                 |                                     |                                     |
| <b>Remeasurement gains/(losses):</b>                                      |                                     |                                     |
| - Actuarial gains and loss arising from changes in financial assumptions  | (83.25)                             | (58.57)                             |
| Benefits paid                                                             | (41.38)                             | (49.80)                             |
| <b>Present value of defined benefit obligation at the end of the year</b> | <b>846.95</b>                       | <b>794.41</b>                       |

(d) Movement in fair value of plan assets are as follows:

(₹ in Lakhs)

| Particulars                                            | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|--------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Change in fair value of assets during the year</b>  |                                     |                                     |
| Fair value of plan assets at the beginning of the year | 577.51                              | 537.60                              |
| Expenses Recognised in Statement of Profit and Loss:   |                                     |                                     |
| Expected return on plan assets                         | 37.31                               | 37.58                               |
| Recognised in Other Comprehensive Income:              |                                     |                                     |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## (d) Movement in fair value of plan assets are as follows: (Contd.)

(₹ in Lakhs)

| Particulars                                                               | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|---------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Return on plan assets (excluding amount included in net interest expense) | 2.96                                | (0.48)                              |
| Contributions by employer                                                 | 43.13                               | 52.61                               |
| Benefits paid                                                             | (41.38)                             | (49.80)                             |
| <b>Fair value of plan assets at the end of the year</b>                   | <b>619.53</b>                       | <b>577.51</b>                       |

## (e) The fair value of plan assets plan at the end of the reporting period are as follows:

(₹ in Lakhs)

| Particulars                                       | As at 31 March 2026 | As at 31 March 2025 |
|---------------------------------------------------|---------------------|---------------------|
| <b>Investment Funds with Insurance Company</b>    |                     |                     |
| - Aditya Birla Sun Life Insurance Company Limited | 15.66%              | 15.68%              |
| - Life Insurance Corporation of India             | 84.34%              | 84.32%              |

The plan assets comprise insurer managed funds. None of the assets carry a quoted market price in active market or represent the entity's own transferable financial instruments or property occupied by the entity.

## (f) The principal assumptions used for the purpose of actuarial valuation were as follows:

| Particulars                    | As at 31 March 2026             | As at 31 March 2025             |
|--------------------------------|---------------------------------|---------------------------------|
| Discount rate                  | 6.85%                           | 6.45%                           |
| Expected return on plan assets | 6.46%                           | 6.99%                           |
| Salary escalation              | 10.00%                          | 10.00%                          |
| Attrition                      | 11.00%                          | 10.33%                          |
| Mortality tables               | India Assured Life<br>(2012-14) | India Assured Life<br>(2012-14) |

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

(₹ in Lakhs)

| Impact on the Defined benefit Obligation                     | Increase            | Increase            |
|--------------------------------------------------------------|---------------------|---------------------|
|                                                              | As at 31 March 2026 | As at 31 March 2025 |
| Change in the discount rate by 50 basis point                | 17.80               | 17.58               |
| Change in Attrition rate by 50 basis point                   | 2.14                | 2.50                |
| Change in Expected rate of salary increase by 50 basis point | (18.98)             | (18.64)             |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

(₹ in Lakhs)

| Impact on the Defined benefit Obligation            | Decrease            | Decrease            |
|-----------------------------------------------------|---------------------|---------------------|
|                                                     | As at 31 March 2026 | As at 31 March 2025 |
| Change in the discount rate by 50 basis point       | (18.61)             | (18.43)             |
| Change in Attrition rate by 50 basis point          | (2.23)              | (2.62)              |
| Change in Expected rate of salary by 50 basis point | 18.34               | 17.96               |

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

Furthermore in presenting the above sensitivity analysis the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There is no change in the methods and assumptions used in preparing the sensitivity analysis from the prior years.

## (g) Effect of plan on Entity's future cash flows

(i) Funding arrangements and funding policy:

The Company has a gratuity fund to provide for payment of gratuity to the employees. Every year, the insurance Company carries out a funding valuation based on the latest employee data provided by the company. The deficit in the assets is funded by the company.

(ii) The Company expects to make a contribution of ₹ Nil during the next financial year.

(iii) The weighted average duration of the benefit obligation as at 31 March 2026 is 4.9 years (5.1 years as at 31 March 2025).

(iv) Maturity profile of defined benefit obligation:

| Expected cash flows (valued on undiscounted basis): | Amount ₹ In lakhs |
|-----------------------------------------------------|-------------------|
| within 1 year                                       | 96.45             |
| 2 to 5 years                                        | 630.94            |
| 6 to 10 years                                       | 250.52            |

## (h) Experience adjustments

(₹ in Lakhs)

| Particulars                                            | Year Ended 31 March 2026 | Year Ended 31 March 2025 |
|--------------------------------------------------------|--------------------------|--------------------------|
| Present value of DBO                                   | 846.95                   | 794.41                   |
| Fair value of plan assets                              | 619.53                   | 577.51                   |
| Experience gain/(loss) adjustments on plan liabilities | 83.25                    | 58.57                    |
| Experience gain/(loss) adjustments on plan assets      | 2.96                     | (0.48)                   |

Details relating to the experience adjustments are provided to the extent information is available.

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## Compensated Absences

The key assumptions used in the computation of provision for long term compensated absences as per the Actuarial Valuation are as given below:

(₹ in Lakhs)

| Particulars        | Year Ended<br>31 March 2026 | Year Ended<br>31 March 2025 |
|--------------------|-----------------------------|-----------------------------|
| Discount rate      | 6.85%                       | 6.45%                       |
| Salary Growth rate | 10.00%                      | 10.00%                      |
| Attrition rate     | 11.00%                      | 10.33%                      |

## 42. DISCLOSURES REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

(₹ in Lakhs)

| Particulars                                                                                                   | As at 31 March 2026 | As at 31 March 2025 |
|---------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| a) Dues remaining unpaid                                                                                      |                     |                     |
| - Principal                                                                                                   |                     |                     |
| Under Trade Payables                                                                                          | 58.16               | 79.15               |
| Under Capital Creditors                                                                                       | 22.46               | 8.63                |
| - Interest                                                                                                    | -                   | -                   |
| b) (i) Amounts paid to suppliers beyond the appointed day                                                     | -                   | -                   |
| (ii) Interest paid in terms of Sec.16 of the Act                                                              | -                   | -                   |
| c) Interest due and payable for the period of delay in payments made beyond the appointed day during the year | -                   | -                   |
| d) Interest accrued and remaining unpaid                                                                      | -                   | -                   |
| e) Interest due and payable even in the succeeding years until actually paid                                  | -                   | -                   |

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

## 43. CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE:

### (i)

(₹ in Lakhs)

| Particulars                                                    | Year Ended<br>31 March 2026 | Year Ended<br>31 March 2025 |
|----------------------------------------------------------------|-----------------------------|-----------------------------|
| (a) Amount required to be spent by the Company during the year | 103.07                      | 115.75                      |
| (b) Amount of expenditure incurred                             | 105.51                      | 119.20                      |
| (c) (Excess)/Shortfall at the end of the year                  | (2.44)                      | (3.45)                      |
| (d) Total of previous years shortfall/(Excess)                 | (6.64)                      | (3.19)                      |
| (e) Reason for shortfall                                       | NA                          | NA                          |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## (ii) Amount spent by the Company during the year on:

(₹ in Lakhs)

| Particulars for the year ended 31 March 2026 | Mode of Payment                                   | Amount Paid   | Yet to be paid | Total         |
|----------------------------------------------|---------------------------------------------------|---------------|----------------|---------------|
| i) Construction/Acquisition of any asset     | Cheque/Electronic Fund Transfer                   | -             | -              | -             |
|                                              | Cash                                              | -             | -              | -             |
| ii) On purposes other than (i) above         | Cheque/Electronic Fund Transfer/Transfer of goods | 104.84        | 0.67           | 105.51        |
|                                              | Cash                                              | -             | -              | -             |
| <b>Total</b>                                 | <b>-</b>                                          | <b>104.84</b> | <b>0.67</b>    | <b>105.51</b> |

(₹ in Lakhs)

| Particulars for the year ended 31 March 2025 | Mode of Payment                                   | Amount Paid   | Yet to be paid | Total         |
|----------------------------------------------|---------------------------------------------------|---------------|----------------|---------------|
| i) Construction/Acquisition of any asset     | Cheque/Electronic Fund Transfer                   | -             | -              | -             |
|                                              | Cash                                              | -             | -              | -             |
| ii) On purposes other than (i) above         | Cheque/Electronic Fund Transfer/Transfer of goods | 117.61        | 1.59           | 119.20        |
|                                              | Cash                                              | -             | 0.00           | 0.00          |
| <b>Total</b>                                 | <b>-</b>                                          | <b>117.61</b> | <b>1.59</b>    | <b>119.20</b> |

## (iii) Nature of CSR activities

(₹ in Lakhs)

| CSR Activities Classification for the year ended 31 March 2026 | Sector in which the activity is covered in Schedule VII | Amount accrued as expense in current year | Amount Paid   | Amount remaining unpaid |
|----------------------------------------------------------------|---------------------------------------------------------|-------------------------------------------|---------------|-------------------------|
| Education and Training                                         | Schedule VII (ii)                                       | 46.38                                     | 46.08         | 0.30                    |
| Ensuring Environment Sustainability                            | Schedule VII (iv)                                       | 10.96                                     | 10.96         | -                       |
| Safe Drinking Water                                            | Schedule VII (i)                                        | 9.84                                      | 9.47          | 0.37                    |
| Eradicating Hunger, Poverty and Malnutrition                   | Schedule VII (i)                                        | 12.60                                     | 12.60         | -                       |
| HealthCare                                                     | Schedule VII (i)                                        | 9.90                                      | 9.90          | -                       |
| Rural Development Projects                                     | Schedule VII (x)                                        | 14.83                                     | 14.83         | -                       |
| Rural Sports Promotion                                         | Schedule VII (vii)                                      | 1.00                                      | 1.00          | -                       |
| <b>Total</b>                                                   | <b>-</b>                                                | <b>105.51</b>                             | <b>104.84</b> | <b>0.67</b>             |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## (iii) Nature of CSR activities (Contd.)

(₹ in Lakhs)

| CSR Activities Classification for the year ended 31 March 2025 | Sector in which the activity is covered in Schedule VII | Amount accrued as expense in current year | Amount Paid   | Amount remaining unpaid |
|----------------------------------------------------------------|---------------------------------------------------------|-------------------------------------------|---------------|-------------------------|
| Ensuring Environment Sustainability                            | Schedule VII (iv)                                       | 8.10                                      | 8.04          | 0.06                    |
| Safe Drinking Water                                            | Schedule VII (i)                                        | 8.84                                      | 8.24          | 0.60                    |
| Education and Training                                         | Schedule VII (ii)                                       | 43.76                                     | 43.76         | -                       |
| Eradicating Hunger, Poverty and Malnutrition                   | Schedule VII (i)                                        | 8.99                                      | 8.99          | -                       |
| HealthCare                                                     | Schedule VII (i)                                        | 28.51                                     | 27.58         | 0.93                    |
| Training to Promote Sports                                     | Schedule VII (vii)                                      | 21.00                                     | 21.00         | -                       |
| <b>Total</b>                                                   | <b>-</b>                                                | <b>119.20</b>                             | <b>117.61</b> | <b>1.59</b>             |

## 44. FINANCIAL INSTRUMENTS

### (i) Capital Management

The Company manages its capital to maximise shareholders' returns while maintaining a sound and optimal capital structure. For the purpose of capital management, capital comprises equity share capital and other equity, while debt comprises borrowings and current maturities of long-term debt, net of cash and bank balances and short-term investments. The Company monitors its capital structure and liquidity position on a periodic basis, including through the gearing ratio, and there has been no change in its overall capital risk management strategy compared to the previous year. Although the Company had a net current liability position at the reporting date, it has access to adequate liquidity through sanctioned credit facilities and unutilised funding lines. Based on fund flow projections, available financing arrangements and expected drawdown of sanctioned facilities, management believes the Company has sufficient resources to meet its obligations as they fall due and to maintain an appropriate capital structure. The Company is not subject to any externally imposed capital requirements.

### Gearing Ratio:

(₹ in Lakhs)

| Particulars                           | As at 31 March 2026 | As at 31 March 2025 |
|---------------------------------------|---------------------|---------------------|
| Borrowings                            | 12,291.62           | 8,253.50            |
| Short Term Investments                | (752.81)            | (1,478.56)          |
| Cash and Bank Balances                | (86.47)             | (462.31)            |
| <b>Net Debt (A)</b>                   | <b>11,452.34</b>    | <b>6,312.63</b>     |
| <b>Total Equity (B)</b>               | <b>41,412.89</b>    | <b>40,777.77</b>    |
| <b>Net Debt to equity ratio (A/B)</b> | <b>0.28</b>         | <b>0.15</b>         |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## (II) Categories of Financial Instruments

### (a) Financial Assets:

(₹ in Lakhs)

| Particulars                                                               | As at 31 March 2026 | As at 31 March 2025 |
|---------------------------------------------------------------------------|---------------------|---------------------|
| <b>Measured at fair value through Other Comprehensive Income (FVTOCI)</b> |                     |                     |
| - Other Investments                                                       | 7.91                | 9.54                |
| <b>Measured at fair value through P&amp;L (FVTPL)</b>                     |                     |                     |
| - Investments                                                             | 752.81              | 1,478.56            |
| <b>Measured at amortised cost</b>                                         |                     |                     |
| - Investments in Subsidiaries                                             | 14,937.00           | 14,932.00           |
| - Trade receivables                                                       | 2,262.07            | 2,007.12            |
| - Cash and Cash Equivalents                                               | 2.89                | 442.10              |
| - Bank Balances other than above                                          | 83.58               | 20.21               |
| - Other Financial Assets                                                  | 235.49              | 240.56              |
| <b>Total</b>                                                              | <b>18,281.75</b>    | <b>19,130.09</b>    |

### (b) Financial Liabilities:

(₹ in Lakhs)

| Particulars                       | As at 31 March 2026 | As at 31 March 2025 |
|-----------------------------------|---------------------|---------------------|
| <b>Measured at amortised cost</b> |                     |                     |
| - Borrowings                      | 12,291.62           | 8,253.50            |
| - Trade Payables                  | 3,107.50            | 3,115.38            |
| - Lease Liabilities               | 269.97              | 177.26              |
| - Other financial liabilities     | 1,553.63            | 305.74              |
| <b>Total</b>                      | <b>17,222.72</b>    | <b>11,851.88</b>    |

## (III) Financial Risk Management Framework:

The Company manages financial risk relating to the operations through internal risk reports which analyse exposure by degree and magnitude of risk. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company does not enter into or trade financial instruments including derivative financial instruments for speculative purpose.

## (IV) Foreign Currency Risk Management:

The Company undertakes transactions denominated in foreign currencies and consequently, exposures to exchange rate fluctuations arises. The Company has not entered into any derivate contracts during the year ended 31 March 2026 and there are no outstanding contracts as at 31 March 2026.

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting period are as follows:

(₹ in Lakhs)

| Particulars       | Currency | As at 31 March 2026        |                    | As at 31 March 2025        |                    |
|-------------------|----------|----------------------------|--------------------|----------------------------|--------------------|
|                   |          | Amount in Foreign Currency | Amount- ₹ In lakhs | Amount in Foreign Currency | Amount- ₹ In lakhs |
| Capital Creditors | EUR      | 10,19,687.80               | 1,093.38           | 1,77,417.04                | 161.20             |
| Capital Creditors | USD      | 732.37                     | 0.62               | 1,57,248.00                | 136.65             |
| Trade Payables    | USD      | 1,59,720.00                | 147.46             | 6,87,377.63                | 595.98             |
| Trade Payables    | EURO     | -                          | -                  | 80,628.00                  | 76.20              |
| Trade Receivables | USD      | 6,525.92                   | 5.47               | 22,464.02                  | 19.22              |

All of the above exposures have not been hedged.

## (V) Foreign Currency sensitivity analysis:

The following table details the Company's sensitivity to a 5% increase and decrease in ₹ against the relevant foreign currencies. 5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectation of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates a increase in profit/ decrease in loss and increase in equity where the ₹ strengthens 5% against the relevant currency. For a 5% weakening of the ₹ against the relevant currency, there would be a comparable impact on the profit or loss and equity and balance below would be negative.

## Impact on Profit and loss for the reporting period

(₹ in Lakhs)

| Particulars | For the Year Ended 31 March 2026 |                | For the Year Ended 31 March 2025 |                |
|-------------|----------------------------------|----------------|----------------------------------|----------------|
|             | Increase by 5%                   | Decrease by 5% | Increase by 5%                   | Decrease by 5% |
| USD         | (0.08)                           | 0.08           | (0.05)                           | 0.05           |
| EURO        | (0.51)                           | 0.51           | 0.10                             | 0.10           |

## Impact on total equity as at the end of the reporting period

(₹ in Lakhs)

| Particulars | As at 31 March 2026 |                | As at 31 March 2025 |                |
|-------------|---------------------|----------------|---------------------|----------------|
|             | Increase by 5%      | Decrease by 5% | Increase by 5%      | Decrease by 5% |
| USD         | (0.08)              | 0.08           | (0.41)              | 0.41           |
| EURO        | (0.51)              | 0.51           | (0.13)              | 0.13           |

## Note:

This is mainly attributable to the exposure of receivable and payable outstanding in the above mentioned currencies to the Company at the end of the reporting period.

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## (VI) Forward foreign exchange contracts:

There are no forward foreign exchange contracts outstanding as at 31 March 2026.

## (VII) Liquidity Risk Management:

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The Company manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and by matching maturing profiles of financial assets and financial liabilities in accordance with the approved risk management policy of the Company.

### Liquidity and Interest Risk Tables:

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(₹ in Lakhs)

| Particulars           | Upto 1 Year     | 1-3 Years       | 3-5 Years       | 5 years and above | Total            |
|-----------------------|-----------------|-----------------|-----------------|-------------------|------------------|
| <b>March 31, 2026</b> |                 |                 |                 |                   |                  |
| Interest bearing      | 5,329.42        | 4,417.45        | 2,405.94        | 454.51            | 12,607.31        |
| Non-interest bearing  | 4,447.88        | 75.86           | 30.69           | 60.98             | 4,615.41         |
| <b>Total</b>          | <b>9,777.30</b> | <b>4,493.31</b> | <b>2,436.63</b> | <b>515.49</b>     | <b>17,222.72</b> |
| <b>March 31, 2025</b> |                 |                 |                 |                   |                  |
| Interest bearing      | 1,958.01        | 3,384.10        | 2,891.68        | 244.81            | 8,478.60         |
| Non-interest bearing  | 3,253.08        | 48.98           | 13.31           | 57.91             | 3,373.28         |
| <b>Total</b>          | <b>5,211.09</b> | <b>3,433.08</b> | <b>2,904.99</b> | <b>302.72</b>     | <b>11,851.88</b> |

### Interest Rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

### Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for term loan at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A change (decrease/increase) of 100 basis points in interest rates for term loan at the reporting date would increase/(decrease) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

### Impact on Profit and Loss for the reporting period

(₹ in Lakhs)

| Particulars                                        | As at 31 March 2026 |             | As at 31 March 2025 |             |
|----------------------------------------------------|---------------------|-------------|---------------------|-------------|
|                                                    | Increase by         | Decrease by | Increase by         | Decrease by |
|                                                    | 100 bps             | 100 bps     | 100 bps             | 100 bps     |
| Impact on Profit and Loss for the reporting period | (71.74)             | 81.02       | 0.00                | 0.00        |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## Impact on Total Equity as at end of the reporting period

(₹ in Lakhs)

| Particulars                                              | As at 31 March 2026 |             | As at 31 March 2025 |             |
|----------------------------------------------------------|---------------------|-------------|---------------------|-------------|
|                                                          | Increase by         | Decrease by | Increase by         | Decrease by |
|                                                          | 100 bps             | 100 bps     | 100 bps             | 100 bps     |
| Impact on Total Equity as at end of the reporting period | (71.74)             | 81.02       | 0.00                | 0.00        |

The following tables detail the Company's remaining contractual maturity for its non-derivative financial assets with agreed repayment periods. The Company does not hold any derivative financial instrument.

(₹ in Lakhs)

| Particulars           | Upto 1 Year     | 1-3 Years    | 3-5 Years    | 5 years and above | Total            |
|-----------------------|-----------------|--------------|--------------|-------------------|------------------|
| <b>March 31, 2026</b> |                 |              |              |                   |                  |
| Interest bearing      | 842.39          | 73.52        | -            | 133.89            | 1,049.80         |
| Non-interest bearing  | 2,287.04        | -            | -            | 14,944.91         | 17,231.95        |
| <b>Total</b>          | <b>3,129.43</b> | <b>73.52</b> | <b>-</b>     | <b>15,078.80</b>  | <b>18,281.75</b> |
| <b>March 31, 2025</b> |                 |              |              |                   |                  |
| Interest bearing      | 1,502.28        | 28.69        | 22.32        | 133.88            | 1,687.17         |
| Non-interest bearing  | 2,501.38        | -            | -            | 14,941.54         | 17,442.92        |
| <b>Total</b>          | <b>4,003.66</b> | <b>28.69</b> | <b>22.32</b> | <b>15,075.42</b>  | <b>19,130.09</b> |

Non-interest rate bearing financial assets disclosed above includes Trade Receivable, Cash, Balances with banks held in current accounts and Other Financial Assets.

Fixed interest rate instruments disclosed above represents balances with banks held in deposit accounts and discounted financial assets.

### (VIII) Credit Risk:

Credit risk refers to the risk that a customer or a counterparty will default on its contractual obligations resulting in a financial loss to the Company. The carrying amount of the financial assets recorded in these financial statements, grossed up for any allowance for losses, represents the maximum exposures to credit risk.

### (IX) Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The Management considers that the carrying amount of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

### (X) Offsetting of financial assets and financial liabilities

The Company has not offset financial assets and financial liabilities.

## 45. FAIR VALUE HIERARCHY

This note provides information about how the Company determines fair value of various financial assets and liabilities.

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## (I) Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis:

(₹ in Lakhs)

| Particulars                                         | Fair Value as at |                 | Fair Value Hierarchy | Valuation techniques and key inputs   |
|-----------------------------------------------------|------------------|-----------------|----------------------|---------------------------------------|
|                                                     | 31 March 2026    | 31 March 2025   |                      |                                       |
| <b>Financial Assets</b>                             |                  |                 |                      |                                       |
| - Investment in quoted Equity Instruments at FVTOCI | 7.91             | 9.54            | Level 1              | Quoted bid prices in an active market |
| - Other Investments at FVTPL                        | 752.81           | 1,478.56        | Level 1              | Based on fund statement               |
| <b>Total</b>                                        | <b>760.72</b>    | <b>1,488.10</b> | <b>-</b>             | <b>-</b>                              |

## (II) Fair value of financial assets and financial liabilities that are not measured at fair value (Non-recurring):

(₹ in Lakhs)

| Particulars                                          | As at 31 March 2026 |                  | As at 31 March 2025 |                  |
|------------------------------------------------------|---------------------|------------------|---------------------|------------------|
|                                                      | Carrying Value      | Fair Value       | Carrying Value      | Fair Value       |
| <b>Financial assets at amortised cost:</b>           |                     |                  |                     |                  |
| - Investments in Subsidiaries                        | 14,937.00           | 14,937.00        | 14,932.00           | 14,932.00        |
| - Trade receivables                                  | 2,262.07            | 2,262.07         | 2,007.12            | 2,007.12         |
| - Cash and Cash Equivalents                          | 2.89                | 2.89             | 442.10              | 442.10           |
| - Bank Balances other than above                     | 83.58               | 83.58            | 20.21               | 20.21            |
| - Other financial assets                             | 235.49              | 235.49           | 240.56              | 240.56           |
| <b>Total</b>                                         | <b>17,521.03</b>    | <b>17,521.03</b> | <b>17,641.99</b>    | <b>17,641.99</b> |
| <b>Financial liabilities held at amortised cost:</b> |                     |                  |                     |                  |
| - Borrowings                                         | 12,291.62           | 12,291.62        | 8,253.50            | 8,253.50         |
| - Trade Payables                                     | 3,107.50            | 3,107.50         | 3,115.38            | 3,115.38         |
| - Lease Liabilities                                  | 269.97              | 269.97           | 177.26              | 177.26           |
| - Other financial liabilities                        | 1,553.63            | 1,553.63         | 305.74              | 305.74           |
| <b>Total</b>                                         | <b>17,222.72</b>    | <b>17,222.72</b> | <b>11,851.88</b>    | <b>11,851.88</b> |

## Fair value hierarchy as at 31 March 2026

(₹ in Lakhs)

| Particulars                                | Level 1 | Level 2 | Level 3   | Total     |
|--------------------------------------------|---------|---------|-----------|-----------|
| <b>Financial assets at amortised cost:</b> |         |         |           |           |
| - Investments in Subsidiaries              | -       | -       | 14,937.00 | 14,937.00 |
| - Cash and Cash Equivalents                | 2.89    | -       | -         | 2.89      |
| - Bank Balances other than above           | 83.58   | -       | -         | 83.58     |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## Fair value hierarchy as at 31 March 2026 (Contd.)

(₹ in Lakhs)

| Particulars                                          | Level 1       | Level 2  | Level 3          | Total            |
|------------------------------------------------------|---------------|----------|------------------|------------------|
| - Trade receivables                                  | -             | -        | 2,262.07         | 2,262.07         |
| - Other financial assets                             | 22.32         | -        | 213.17           | 235.49           |
|                                                      | <b>108.79</b> | <b>-</b> | <b>17,412.24</b> | <b>17,521.03</b> |
| <b>Financial liabilities held at amortised cost:</b> |               |          |                  |                  |
| - Borrowings                                         | -             | -        | 12,291.62        | 12,291.62        |
| - Trade Payables                                     | -             | -        | 3,107.50         | 3,107.50         |
| - Lease Liabilities                                  | -             | -        | 269.97           | 269.97           |
| - Other financial liabilities                        | -             | -        | 1,553.63         | 1,553.63         |
|                                                      | <b>-</b>      | <b>-</b> | <b>17,222.72</b> | <b>17,222.72</b> |

## Fair value hierarchy as at 31 March 2025

(₹ in Lakhs)

| Particulars                                          | Level 1       | Level 2  | Level 3          | Total            |
|------------------------------------------------------|---------------|----------|------------------|------------------|
| <b>Financial assets at amortised cost:</b>           |               |          |                  |                  |
| - Investments in Subsidiaries                        | -             | -        | 14,932.00        | 14,932.00        |
| - Cash and Cash Equivalents                          | 442.10        | -        | -                | 442.10           |
| - Bank Balances other than above                     | 20.21         | -        | -                | 20.21            |
| - Trade receivables                                  | -             | -        | 2,007.12         | 2,007.12         |
| - Other financial assets                             | 22.32         | -        | 218.24           | 240.56           |
|                                                      | <b>484.63</b> | <b>-</b> | <b>17,157.36</b> | <b>17,641.99</b> |
| <b>Financial liabilities held at amortised cost:</b> |               |          |                  |                  |
| - Borrowings                                         | -             | -        | 8,253.50         | 8,253.50         |
| - Trade Payables                                     | -             | -        | 3,115.38         | 3,115.38         |
| - Lease Liabilities                                  | -             | -        | 177.26           | 177.26           |
| - Other financial liabilities                        | -             | -        | 305.74           | 305.74           |
|                                                      | <b>-</b>      | <b>-</b> | <b>11,851.88</b> | <b>11,851.88</b> |

## 46. SEGMENT INFORMATION

### Description of segments and principal activities

The company identifies its operating segment based on the nature and class of product and services, nature of production process and assessment of differential risks and returns and financial reporting results reviewed by the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of performance. Operating segments have been identified on the basis of the nature of products/services and have been

identified as per the quantitative criteria specified in the Ind AS. For financial statements presentation purposes, individual operating segments have been aggregated into a single operating segment after taking into consideration the similar nature of the products, production processes and other risk factors.

Specifically, the Company's reportable segments under Ind AS are as follows:

- 1) Chemicals and related Products/Services
- 2) PVC-O Pipes

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## Geographical segments

The geographical segments considered for disclosure are based on markets, broadly as India and Others.

## Segment accounting policies

In addition to the significant accounting policies applicable to the business segment as set out in note 1.16, the accounting policies in relation to segment accounting are as under:

Operating revenues and expenses related to both third party and inter-segment transactions are included in determining the segment results of each respective segment. Inter segment sales are eliminated in consolidation.

Other income earned and finance expense incurred are not allocated to individual segment and the same has been reflected at the Company level for segment reporting.

The total assets disclosed for each segment include all operating assets used by each segment, and primarily include receivables, property, plant and equipment, intangibles, inventories, operating cash and bank balances, inter-segment assets and exclude, deferred tax assets and income tax etc.

Segment liabilities comprise operating liabilities and exclude external borrowings, provision for taxes, deferred tax liabilities etc.

## I. Segment revenues and results

(₹ in Lakhs)

| Particulars                                   | Business segments                       |             | Total     |
|-----------------------------------------------|-----------------------------------------|-------------|-----------|
|                                               | Chemicals and related Products/Services | PVC-O Pipes |           |
| <b>Revenue</b>                                |                                         |             |           |
| - Current Year                                | 19,568.84                               | 9,346.75    | 28,915.59 |
| - Previous Year                               | 19,064.00                               | 13,145.05   | 32,209.05 |
| <b>Less: Inter-segment revenue</b>            |                                         |             |           |
| - Current Year                                | -                                       | 58.99       | -         |
| - Previous Year                               | -                                       | -           | -         |
| <b>Total</b>                                  |                                         |             |           |
| - Current Year                                | 19,568.84                               | 9,287.76    | 28,856.60 |
| - Previous Year                               | 19,064.00                               | 13,145.05   | 32,209.05 |
| <b>Segment result before exceptional item</b> |                                         |             |           |
| - Current Year                                | (591.14)                                | 1,589.88    | 998.74    |
| - Previous Year                               | (959.13)                                | 3,049.01    | 2,089.88  |
| <b>Less: Exceptional Item</b>                 |                                         |             |           |
| - Current Year                                | -                                       | -           | -         |
| - Previous Year                               | -                                       | -           | -         |
| <b>Segment result after exceptional item</b>  |                                         |             |           |
| - Current Year                                | (591.14)                                | 1,589.88    | 998.74    |
| - Previous Year                               | (959.13)                                | 3,049.01    | 2,089.88  |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## I. Segment revenues and results (Contd.)

(₹ in Lakhs)

| Particulars                                | Business segments                       |             | Total     |
|--------------------------------------------|-----------------------------------------|-------------|-----------|
|                                            | Chemicals and related Products/Services | PVC-O Pipes |           |
| <b>Finance Cost</b>                        |                                         |             |           |
| - Current Year                             | -                                       | -           | 754.01    |
| - Previous Year                            | -                                       | -           | 491.58    |
| <b>Operating income</b>                    |                                         |             |           |
| - Current Year                             | -                                       | -           | 244.73    |
| - Previous Year                            | -                                       | -           | 1,598.30  |
| <b>Other income</b>                        |                                         |             |           |
| - Current Year                             | -                                       | -           | 827.45    |
| - Previous Year                            | -                                       | -           | 584.92    |
| <b>Profit before taxes</b>                 |                                         |             |           |
| - Current Year                             | -                                       | -           | 1,072.18  |
| - Previous Year                            | -                                       | -           | 2,183.22  |
| <b>Other information</b>                   |                                         |             |           |
| <b>Material items of expenses</b>          |                                         |             |           |
| <b>Cost of Materials Consumed</b>          |                                         |             |           |
| - Current Year                             | 3,545.69                                | 3,917.88    | 7,463.57  |
| - Previous Year                            | 3,040.91                                | 5,451.16    | 8,492.07  |
| <b>Other Direct Manufacturing Expenses</b> |                                         |             |           |
| - Current Year                             | 10,406.10                               | 669.23      | 11,075.33 |
| - Previous Year                            | 11,003.55                               | 712.99      | 11,716.54 |
| <b>Tax expense</b>                         |                                         |             |           |
| - Current Year                             | -                                       | -           | 321.59    |
| - Previous Year                            | -                                       | -           | 660.80    |
| <b>Profit for the year</b>                 |                                         |             |           |
| - Current Year                             | -                                       | -           | 750.59    |
| - Previous Year                            | -                                       | -           | 1,522.42  |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## II. Segment Assets and Liabilities

(₹ in Lakhs)

| Particulars                          | Business segments                       |             | Total     |
|--------------------------------------|-----------------------------------------|-------------|-----------|
|                                      | Chemicals and related Products/Services | PVC-O Pipes |           |
| <b>Segment assets</b>                |                                         |             |           |
| - Current Year                       | 21,403.23                               | 21,906.91   | 43,310.14 |
| - Previous Year                      | 19,275.78                               | 15,858.21   | 35,133.99 |
| <b>Unallocable assets</b>            |                                         |             |           |
| - Current Year                       | -                                       | -           | 18,113.81 |
| - Previous Year                      | -                                       | -           | 19,463.71 |
| <b>Total assets</b>                  |                                         |             |           |
| - Current Year                       | -                                       | -           | 61,423.95 |
| - Previous Year                      | -                                       | -           | 54,597.70 |
| <b>Segment liabilities</b>           |                                         |             |           |
| - Current Year                       | 5,356.56                                | 2,194.70    | 7,551.26  |
| - Previous Year                      | 3,207.72                                | 2,181.34    | 5,389.06  |
| <b>Unallocable liabilities</b>       |                                         |             |           |
| - Current Year                       | -                                       | -           | 12,459.80 |
| - Previous Year                      | -                                       | -           | 8,430.87  |
| <b>Total liabilities</b>             |                                         |             |           |
| - Current Year                       | -                                       | -           | 20,011.06 |
| - Previous Year                      | -                                       | -           | 13,819.93 |
| <b>Other information</b>             |                                         |             |           |
| <b>Capital expenditure</b>           |                                         |             |           |
| - Current Year                       | 4,163.20                                | 5,617.31    | 9,780.50  |
| - Previous Year                      | 4,918.17                                | 5,681.72    | 10,599.88 |
| <b>Depreciation and amortisation</b> |                                         |             |           |
| - Current Year                       | 1,442.82                                | 999.64      | 2,442.46  |
| - Previous Year                      | 1,554.47                                | 1,684.32    | 3,238.79  |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

Information on geographic segments:

(₹ in Lakhs)

| Geographical Segment | Revenues for the year ended 31 March 2026 | Non-Current Assets as at 31 March 2026 (Refer Note 2 below) |
|----------------------|-------------------------------------------|-------------------------------------------------------------|
| <b>India</b>         |                                           |                                                             |
| - Current Year       | 28,840.82                                 | 50,845.72                                                   |
| - Previous Year      | 32,112.97                                 | 44,641.22                                                   |
| <b>Others</b>        |                                           |                                                             |
| - Current Year       | 15.78                                     | -                                                           |
| - Previous Year      | 96.08                                     | -                                                           |

**Note:**

1) Also Refer Note 1.16.

2) Non current assets excludes deferred tax assets and income tax assets.

## 47. EMPLOYEE STOCK OPTION SCHEME

**a) The details of the Employee stock option schemes approved by the shareholders are as below:**

(₹ in Lakhs)

| Geographical Segment                                               | Number   | Grant Date | Exercise price in ₹ | Fair value on the date of grant in ₹ |
|--------------------------------------------------------------------|----------|------------|---------------------|--------------------------------------|
| "CAESOS 2020" [Chemfab Alkalys Employees Stock Option Scheme 2020] | 3,22,000 | 29-Oct-20  | 97.83               | 139.75                               |
| "CAESOS 2020" [Chemfab Alkalys Employees Stock Option Scheme 2020] | 24,400   | 23-May-22  | 134.79              | 192.55                               |
| "CAESOS 2020" [Chemfab Alkalys Employees Stock Option Scheme 2020] | 6,000    | 12-Aug-23  | 227.12              | 324.45                               |

The options may be exercised within a period of 12 months from the date of vesting and the vesting plan of the stock option schemes are as below:

|                                                        |
|--------------------------------------------------------|
| <b>CAESOS 2020</b>                                     |
| 25% of the Options-One year from the date of grant.    |
| 25% of the Options-Two years from the date of grant.   |
| 25% of the Options-Three years from the date of grant. |
| 25% of the Options-Four years from the date of grant.  |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## b) Employee stock options details as on the balance sheet date are as follows:

(₹ in Lakhs)

| Particulars                                                                                                                              | For the Year Ended<br>31 March 2026 |                                                         | For the Year Ended<br>31 March 2025 |                                                         |
|------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|---------------------------------------------------------|-------------------------------------|---------------------------------------------------------|
|                                                                                                                                          | Options<br>(Numbers)                | Weighted<br>average<br>exercise price<br>per option (₹) | Options<br>(Numbers)                | Weighted<br>average<br>exercise price<br>per option (₹) |
| <b>"CAESOS 2020" [Chemfab Alkalys Employees Stock Option Scheme 2020]</b>                                                                |                                     |                                                         |                                     |                                                         |
| Option outstanding at the beginning of the year:                                                                                         | 32,200                              | 111.56                                                  | 1,33,300                            | 108.72                                                  |
| <b>Add:</b> Granted during the year:                                                                                                     | -                                   | -                                                       | -                                   | -                                                       |
| <b>Less:</b> Exercised during the year:*                                                                                                 | (10,000)                            | 97.83                                                   | (89,000)                            | 97.93                                                   |
|                                                                                                                                          | -                                   | -                                                       | (6,100)                             | 134.79                                                  |
| <b>Less:</b> Lapsed during the year:                                                                                                     | (10,000)                            | 97.83                                                   | (6,000)                             | 227.12                                                  |
|                                                                                                                                          | (12,200)                            | 134.79                                                  | -                                   | -                                                       |
| Options outstanding at the end of the year:                                                                                              | -                                   | -                                                       | 32,200                              | 111.56                                                  |
| The exercise price has been determined on the basis of the weighted average share price of Chemfab Alkalys Limited as at the grant date. |                                     | -                                                       | -                                   | 111.56                                                  |
| Weighted average remaining contractual life for options outstanding as at 31 March 2026- 0 Years (As at 31 March 2025-0 Years)           |                                     |                                                         |                                     |                                                         |

\*Out of the above, shares relating to Nil options are pending allotment as at 31 March 2026 (PY Nil).

## c) The assumptions used in this model for calculating fair value on date of grant are as below: "CAESOS 2020" [Chemfab Alkalys Employees Stock Option Scheme 2020] (Using Black-Scholes model)

(₹ in Lakhs)

| Particulars                          | 25 % options | 25 % options | 25 % options | 25 % options |
|--------------------------------------|--------------|--------------|--------------|--------------|
| Risk Free Interest Rate              | 7.50%        | 7.50%        | 7.50%        | 7.50%        |
| Expected Life                        | 1            | 2            | 3            | 4            |
| Expected Annual Volatility of Shares | 64.78%       | 55.79%       | 57.14%       | 55.92%       |
| Expected Dividend Yield              | 12.50%       | 12.50%       | 12.50%       | 12.50%       |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## d) Stock Options exercised during the year:

(₹ in Lakhs)

| Particulars                                                         | Number Exercised | Exercise date | Exercise price in ₹ |
|---------------------------------------------------------------------|------------------|---------------|---------------------|
| "CAESOS 2020" [Chemfab Alkalies Employees Stock Option Scheme 2020] | 2,000            | 23-Jun-25     | 97.83               |
| "CAESOS 2020" [Chemfab Alkalies Employees Stock Option Scheme 2020] | 2,000            | 18-Jul-25     | 97.83               |
| "CAESOS 2020" [Chemfab Alkalies Employees Stock Option Scheme 2020] | 2,000            | 08-Sep-25     | 97.83               |
| "CAESOS 2020" [Chemfab Alkalies Employees Stock Option Scheme 2020] | 4,000            | 18-Sep-25     | 97.83               |

## e) Total expense accounted for by the Company on account of the above are given below:

(₹ in Lakhs)

| Particulars                                        | For the Year Ended 31 March 2026 | For the Year Ended 31 March 2025 |
|----------------------------------------------------|----------------------------------|----------------------------------|
| ESOP cost accounted by the Company (Refer Note 35) | -                                | 11.16                            |
| <b>Total</b>                                       | <b>-</b>                         | <b>11.16</b>                     |

**Note:** The Company has amended "CAESOS -2020" for granting additional stock options to eligible employees in accordance with applicable regulations. No options have been granted for the additional options to the reporting date.

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

48.

| RATIOS |                                             | Numerator                                                                                                               | Denominator                                                                                    | 2025-26 | 2024-25 | Variance % | Reason for Variance                                                                                            | (₹ in Lakhs) |
|--------|---------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|---------|---------|------------|----------------------------------------------------------------------------------------------------------------|--------------|
| (a)    | Current Ratio (in times)                    | Total Current Assets                                                                                                    | Total Current Liabilities                                                                      | 0.73    | 1.08    | -32%       | There is decrease in ratio due to increase in short term borrowings.                                           |              |
| (b)    | Debt- equity Ratio (in times)               | Debts consists of borrowings and lease liabilities                                                                      | Total Equity                                                                                   | 0.30    | 0.21    | 47%        | There is an increase in debt equity ratio on account of increase in borrowings in the current year.            |              |
| (c)    | Debt Service Coverage Ratio (in times)      | Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments | Debt service = Interest and lease payments + Principal repayments                              | 9.55    | 5.57    | 71%        | There is an improvement in the ratio due to reduction in repayment of loan during the year.                    |              |
| (d)    | Return on Equity Ratio (in %)               | Profit for the year less Preference dividend (if any)                                                                   | Average total equity                                                                           | 1.83%   | 3.80%   | -52%       | There is decrease in ratio due to decrease in profitability mainly due to decrease in realisation of products. |              |
| (e)    | Inventory turnover ratio (in times)         | Revenue from Operations                                                                                                 | Average Inventory                                                                              | 12.13   | 16.72   | -27%       | There is decrease in ratio due to decrease in revenue from operations.                                         |              |
| (f)    | Trade Receivables turnover ratio (in times) | Revenue from Operations                                                                                                 | Average Trade Receivables                                                                      | 13.52   | 15.60   | -13%       | No major variance.                                                                                             |              |
| (g)    | Trade payables turnover ratio (in times)    | Total Expenses-Finance Cost-Depreciation and Amortisation Expenses                                                      | Average Trade Payables                                                                         | 8.17    | 9.24    | -12%       | No major variance.                                                                                             |              |
| (h)    | Net capital turnover ratio (in times)       | Revenue from Operations                                                                                                 | Average working capital (i.e. Total current assets less Total current liabilities)             | (9.70)  | 61.64   | -116%      | There is a decrease in the ratio mainly due to increase in borrowings under current liabilities.               |              |
| (i)    | Net profit ratio (in %)                     | Profit for the Year                                                                                                     | Revenue from Operations                                                                        | 2.60%   | 4.73%   | -45%       | There is decrease in ratio due to decrease in profitability mainly due to decrease in realisation of products. |              |
| (j)    | Return on Capital employed (in %)           | Profit before tax and finance costs                                                                                     | Capital employed = Tangible Net Worth + Total Debt + Deferred Tax Liability-Deferred Tax Asset | 3.52%   | 5.70%   | -38%       | There is decrease in ratio due to decrease in profitability mainly due to decrease in realisation of products. |              |
| (k)    | Return on investment (in %)                 | Income generated from Other investments under Current Financial Assets                                                  | Average of Other investments under Current Financial Assets                                    | 1.86%   | 0.82%   | 125%       | Increased due to higher average amount invested in Current investments during the period.                      |              |

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

## 49. RELATIONSHIP WITH STRUCK OFF COMPANIES

(₹ in Lakhs)

| Name of the Struck off Company                      | Nature of transactions with struck off company | Balance outstanding (Amount ₹ In Lakhs) | Relationship with the struck off company, if any, to be disclosed |
|-----------------------------------------------------|------------------------------------------------|-----------------------------------------|-------------------------------------------------------------------|
| <b>Year ended 31 March 2026</b>                     |                                                |                                         |                                                                   |
| Nil                                                 | NA                                             | NA                                      | NA                                                                |
| <b>Year ended 31 March 2025</b>                     |                                                |                                         |                                                                   |
| Nathanz Chemicals Pvt Ltd.                          | Advances                                       | 0.27                                    | NA                                                                |
| Advance Valves Private Limited (Refer Note below)   | Payables                                       | 0.00                                    | NA                                                                |
| Pyrotech Electronics (P) Limited (Refer Note below) | Payables                                       | 0.00                                    | NA                                                                |

**Note:** The company had transactions with the parties during the previous year, however closing balance as at 31 March 2026 was Nil (PY Nil)

## 50. EVENTS SUBSEQUENT TO THE BALANCE SHEET DATE:

- (i) The Board of Directors have recommended a final dividend of 12.50% (₹ 1.25 per Equity Share of ₹ 10 each) for the financial year 2025-26 which is subject to the approval of the shareholders in the forthcoming Annual General Meeting of the Company.

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

- (v) The quarterly returns or statements comprising (stock statements, book debt statements, credit monitoring arrangement reports, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.

## 51. ADDITIONAL REGULATORY INFORMATION

- (i) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.
- (ii) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (iii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (iv) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

- (vi) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

- (vii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

- (viii) The Company 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:

- (i) 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
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

# Notes forming part of the Standalone Financial Statements

For the year ended 31 March 2026

- (ix) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
  - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (x) The Company does not have any Scheme of Arrangements which have been approved by the Competent Authority in terms of sections 230 to 237 of the Act.
- (xi) The Company has complied with the the number of layers prescribed under of Section 2(87) of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (xii) The Company has utilised the borrowing amount taken from financial institutions for the purpose as stated in the sanction letter.
- (xiii) The Company uses an accounting software for maintaining its books of accounts that has a feature of recording audit trail, which was enabled and operating throughout the year. However, in respect to a payroll software, in the absence of service organization control report from the vendor, the Company is unable to assess whether the audit trail feature of the said software was enabled and operated for the audit period 01 January 2026 to 31 March 2026, for all relevant transactions recorded in the said software and whether there was any instance of the audit trail feature been tampered with. The Company has established and maintained adequate internal controls over its financial reporting.

**52.** The Board of Directors of the Company has reviewed the realisable value of all the current assets and has confirmed that the value of such assets in the ordinary course of business will not be less than the value at which these are recognized in the financial statements. In addition, the Board has also confirmed the carrying value of the non-current assets in the financial statements. The Board, duly taking into account all the relevant disclosures made, has approved these standalone financial statements in its meeting held on 13 May 2026.

**For and on behalf of Board of Directors**

**Suresh Krishnamurthi Rao**  
Chairman  
DIN: 00127809  
Place: Chennai

**S. Prasath**  
Chief Financial Officer  
Place: Chennai  
Date: 13 May 2026

**V. M. Srinivasan**  
Chief Executive Officer  
Place: Chennai

**Bharatraj Panchal**  
Company Secretary  
Place: Chennai

# Independent Auditor's Report

To The Members of Chemfab Alkalies Limited

Report on the Audit of the Consolidated Financial Statements

## OPINION

We have audited the accompanying consolidated financial statements of **Chemfab Alkalies Limited** (the "Parent") and its subsidiaries, (the Parent and its subsidiaries 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 Loss), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the consolidated financial statements, including a summary of 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, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiary, referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2026, their consolidated loss and their consolidated other comprehensive loss, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

## BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

## KEY AUDIT MATTERS

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. We have determined that there are no key audit matters to communicate in our report.

## INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's report including the annexures to the Board's report and Corporate Governance, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The Management Discussion and Analysis, Board's report including the annexures to the Board's report and Corporate Governance is expected to be made available to us after the date of this auditor's report.
- Our opinion on the consolidated financial statements does not cover the other information and will 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, compare with the financial statements of the subsidiary, audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary, is traced from their financial statements audited by other auditors.
- When we read the Management Discussion and Analysis, Board's report including the annexures to the Board's report and Corporate Governance, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

## RESPONSIBILITIES OF MANAGEMENT AND BOARD OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Parent's Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive loss, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective 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 the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent 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 the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities 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 also responsible for overseeing the financial reporting process of the Group.

## AUDITOR'S RESPONSIBILITY 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 financial controls 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 Parent Company has adequate internal financial controls with reference to consolidated 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.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the entities or business activities

included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls 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.

## OTHER MATTERS

- (a) We did not audit the financial statements of 1 subsidiary, whose financial statements reflect total assets of ₹ 5.16 Lakhs as at 31 March 2026, total revenues of ₹ Nil and net cash inflows amounting to ₹ 5.00 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports other auditors.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports other auditors on the separate financial statements of the subsidiary, referred to in the Other Matters section above 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 by the Group, including relevant records so far as it appears from our examination of those books and the reports of the other auditors, except (a) for not keeping backup on a daily basis of such books of account maintained in electronic mode (with regards to payroll) in a server physically located in India by the Parent Company and 1 of its subsidiary, (refer Note 50 (xiii) to the consolidated financial statements) and (b) in relation to compliance with the requirements of audit trail, refer paragraph (i)(vi) below.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Loss, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity 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 Parent Company as on 31 March, 2026 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies, is disqualified as on 31 March, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) The modifications relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above.
- g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent company, subsidiary companies. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary company, incorporated in India, the remuneration paid/provided by the Parent Company, to their respective directors during the year is in accordance with the provisions of section 197 of the Act. There is no remuneration to be paid by the subsidiary companies to their respective directors during the year in accordance with the provision of section 197 of the Act.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. - Refer Note 38 to the consolidated financial statements.
  - ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii) There has been a delay in transfer of amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent Company of ₹ 2.87 Lakhs, which has not yet been transferred to the said fund and there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary companies.
- iv) a. The respective Managements of the Parent Company and its subsidiaries, which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiary, respectively that, to the best of their knowledge and belief, other than as disclosed in the note 50(viii) 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 Parent Company or any of such subsidiaries, 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 Parent Company or any of such subsidiaries, ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b. The respective Managements of the Parent Company and its subsidiaries, which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiary, respectively that, to the best of their knowledge and belief, other than as disclosed in the note 50(ix) to the consolidated financial statements, no funds have been received by the Parent Company or any of such subsidiaries, from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or any of such subsidiaries, shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed

by the auditor of the subsidiary, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v) The final dividend proposed in the previous year, declared and paid by the Parent Company, during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 49 to the consolidated financial statements, the Board of Directors of the Parent Company, have proposed final dividend for the year which is subject to the approval of the members of the Parent Company at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

The subsidiaries, which are companies incorporated in India, whose financial statements have been audited under the Act (including one subsidiary as reported by the other auditors), have not declared or paid any dividend during the year and have not proposed final dividend for the year.

- vi) Based on our examination which included test checks and that performed by the respective auditor of the subsidiary and based on the other auditor's report of its subsidiary company, incorporated in India whose financial statements have been audited under the Act, the Parent

Company and its subsidiary companies have used accounting software systems for maintaining its books of account for the financial year ended 31 March 2026 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems except that in respect of a software managed by a third party software service provider for maintaining payroll records by the management of the Parent Company and one of its subsidiary companies:

- a) the feature of recording audit trail (edit log) facility was not enabled for two days (from 01 April 2025 to 02 April 2025).
- b) in the absence of an independent auditor's report covering the audit trail requirement for the audit/examination period from 01 January 2026 to 31 March 2026, we are unable to comment whether the audit trail feature of the said software was enabled and operated for the audit period 01 January 2026 to 31 March 2026, for all relevant transactions recorded in the software related to payroll or whether there was any instance of the audit trail feature been tampered with.

Further, during the course of our audit we and respective other auditors, whose reports have been furnished to us by the Management of the Parent Company, we have not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Parent Company and its subsidiary companies as per the statutory requirements for record retention (from 1 April 2023) for the software system where the audit trail was enabled and operating (Refer Note 50 (xiii) to the consolidated financial statements).

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/"the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent Company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the consolidated financial statements except for the following:

| Name of the company            | CIN                   | Nature of relationship | Clause Number of CARO report with qualification or adverse remark |
|--------------------------------|-----------------------|------------------------|-------------------------------------------------------------------|
| Chemfab Alkalys Limited        | L24290TN2009PLC071563 | Parent                 | Clause (i)(c)                                                     |
| Chemfab Alkalys Limited        | L24290TN2009PLC071563 | Parent                 | Clause (ix)(d)                                                    |
| Chemfab Karaiikal Limited      | U24100TN2019PLC133285 | Subsidiary             | Clause (xvii)                                                     |
| Chemfab Hiitech Piping Limited | U22191TN2025PLC186167 | Subsidiary             | Clause (xvii)                                                     |

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Place:** Chennai  
**Date:** 13 May 2026

**P. Usha Parvathy**  
Partner  
Membership No.: 207704  
UDIN: 26207704ZBCVDEI886

# Annexure "A"

## TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as at and for the year ended 31 March 2026, we have audited the internal financial controls with reference to consolidated financial statements of **Chemfab Alkalies Limited** (hereinafter referred to as "Parent Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

## MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

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

## AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated 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 consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent Company, and its subsidiary companies, which are companies incorporated in India.

## MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A company's internal financial control with reference to consolidated 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 control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of

management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### OPINION

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors

referred to in the Other Matters paragraph below, the Parent Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March 2026, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies 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.

### OTHER MATTERS

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 1 subsidiary company, which is a company incorporated in India, is based solely on the corresponding report of the auditor of such company incorporated in India.

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

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Place:** Chennai  
**Date:** 13 May 2026

**P. Usha Parvathy**  
Partner  
Membership No.: 207704  
UDIN: 26207704ZBCVDEI886

# Consolidated Balance Sheet

As at 31 March 2026

(₹ in Lakhs)

| Particulars                                                                              | Note No. | As at 31 March 2026 | As at 31 March 2025 |
|------------------------------------------------------------------------------------------|----------|---------------------|---------------------|
| <b>I. ASSETS</b>                                                                         |          |                     |                     |
| <b>(1) Non - Current Assets</b>                                                          |          |                     |                     |
| (a) Property, Plant and Equipment                                                        | 2        | 37,173.44           | 30,322.51           |
| (b) Right of Use Assets                                                                  | 3        | 1,464.79            | 1,383.10            |
| (c) Capital Work-In-Progress                                                             | 4        | 3,055.48            | 3,593.72            |
| (d) Other Intangible Assets                                                              | 2        | 58.76               | 3.68                |
| (e) Financial Assets                                                                     |          |                     |                     |
| (i) Investments                                                                          | 5        | 7.91                | 9.54                |
| (ii) Other Financial Assets                                                              | 6        | 219.09              | 197.12              |
| (f) Tax Assets (Net)                                                                     | 7        | 189.76              | 279.13              |
| (g) Deferred Tax Assets (Net)                                                            | 8        | 2,144.84            | 2,298.49            |
| (h) Other Non - Current Assets                                                           | 9        | 640.24              | 2,158.26            |
| <b>Total Non - Current Assets</b>                                                        |          | <b>44,954.31</b>    | <b>40,245.55</b>    |
| <b>(2) Current Assets</b>                                                                |          |                     |                     |
| (a) Inventories                                                                          | 10       | 2,590.38            | 2,718.38            |
| (b) Financial Assets                                                                     |          |                     |                     |
| (i) Other Investments                                                                    | 11       | 1,347.80            | 1,625.81            |
| (ii) Trade Receivables                                                                   | 12       | 2,407.65            | 2,076.95            |
| (iii) Cash and Cash Equivalents                                                          | 13A      | 8.46                | 470.10              |
| (iv) Bank Balances other than (iii) above                                                | 13B      | 83.58               | 22.47               |
| (v) Other Financial Assets                                                               | 14       | 30.25               | 55.87               |
| (c) Other Current Assets                                                                 | 15       | 2,580.00            | 2,646.95            |
|                                                                                          |          | <b>9,048.12</b>     | <b>9,616.53</b>     |
| Asset Classified as Held for Sale                                                        | 16       | 3,670.96            | 2,320.17            |
| <b>Total Current Assets</b>                                                              |          | <b>12,719.08</b>    | <b>11,936.70</b>    |
| <b>TOTAL ASSETS</b>                                                                      |          | <b>57,673.39</b>    | <b>52,182.25</b>    |
| <b>II. EQUITY AND LIABILITIES</b>                                                        |          |                     |                     |
| <b>(1) Equity</b>                                                                        |          |                     |                     |
| (a) Equity Share Capital                                                                 | 17       | 1,437.37            | 1,436.37            |
| (b) Other Equity                                                                         | 18       | 36,103.32           | 36,562.44           |
| <b>Equity attributable to Shareholders of the Company</b>                                |          | <b>37,540.69</b>    | <b>37,998.81</b>    |
| <b>Non-controlling interests</b>                                                         |          | <b>-</b>            | <b>-</b>            |
| <b>Total Equity</b>                                                                      |          | <b>37,540.69</b>    | <b>37,998.81</b>    |
| <b>(2) Liabilities</b>                                                                   |          |                     |                     |
| <b>Non - current Liabilities</b>                                                         |          |                     |                     |
| (a) Financial Liabilities                                                                |          |                     |                     |
| (i) Borrowings                                                                           | 19       | 8,143.00            | 6,379.50            |
| (ii) Lease Liabilities                                                                   |          | 241.51              | 141.09              |
| (iii) Other Financial Liabilities                                                        | 20       | 60.98               | 54.97               |
| (b) Provisions                                                                           | 21       | 306.70              | 268.02              |
| (c) Other Non - Current Liabilities                                                      | 22       | 46.25               | 120.00              |
| <b>Total Non - current Liabilities</b>                                                   |          | <b>8,798.44</b>     | <b>6,963.58</b>     |
| <b>Current liabilities</b>                                                               |          |                     |                     |
| (a) Financial Liabilities                                                                |          |                     |                     |
| (i) Borrowings                                                                           | 23       | 4,153.00            | 1,874.00            |
| (ii) Lease Liabilities                                                                   |          | 38.00               | 39.47               |
| (iii) Trade Payables                                                                     | 24       |                     |                     |
| - Total Outstanding dues of micro enterprises and small enterprises                      |          | 62.83               | 81.00               |
| - Total Outstanding dues of creditors other than micro enterprises and small enterprises |          | 3,064.39            | 3,143.94            |
| (iv) Other Financial Liabilities                                                         | 25       | 1,522.20            | 424.66              |
| (b) Provisions                                                                           | 26       | 166.37              | 160.90              |
| (c) Current Tax Liabilities (Net)                                                        | 27       | 123.12              | 133.73              |
| (d) Other Current Liabilities                                                            | 28       | 2,204.35            | 1,362.16            |
| <b>Total Current Liabilities</b>                                                         |          | <b>11,334.26</b>    | <b>7,219.86</b>     |
| <b>Total Liabilities</b>                                                                 |          | <b>20,132.70</b>    | <b>14,183.44</b>    |
| <b>TOTAL EQUITY AND LIABILITIES</b>                                                      |          | <b>57,673.39</b>    | <b>52,182.25</b>    |

See accompanying notes forming part of the consolidated financial statements  
In terms of our report attached

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**P. Usha Parvathy**  
Partner

**Place:** Chennai  
**Date:** 13 May 2026

**Suresh Krishnamurthi Rao**  
Chairman  
DIN: 00127809  
**Place:** Chennai

**S. Prasath**  
Chief Financial Officer  
**Place:** Chennai  
**Date:** 13 May 2026

**For and on behalf of the Board of Directors**

**V. M. Srinivasan**  
Chief Executive Officer  
**Place:** Chennai

**Bharatraj Panchal**  
Company Secretary  
**Place:** Chennai

# Statement of Consolidated Profit and Loss

For the year ended 31 March 2026

(₹ in Lakhs)

| Particulars                                                                           | Note No. | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|---------------------------------------------------------------------------------------|----------|-------------------------------------|-------------------------------------|
| I Revenue from Operations                                                             | 29       | 31,102.27                           | 33,437.43                           |
| II Other Income                                                                       | 30       | 868.80                              | 711.79                              |
| III Total Income (I+II)                                                               |          | 31,971.07                           | 34,149.22                           |
| IV Expenses                                                                           |          |                                     |                                     |
| Cost of Materials Consumed                                                            | 31A      | 9,501.89                            | 10,212.04                           |
| Purchases of Stock - in - Trade                                                       | 31B      | 268.40                              | 735.23                              |
| Changes in Inventories of Finished Goods and Work-in-Progress                         | 32       | 526.82                              | (982.01)                            |
| Other Direct Manufacturing Expenses                                                   | 33       | 11,230.55                           | 11,880.23                           |
| Employee Benefits Expense                                                             | 34       | 2,632.17                            | 2,550.52                            |
| Finance Costs                                                                         | 35       | 768.69                              | 492.50                              |
| Depreciation and Amortisation Expense                                                 | 2 & 3    | 2,841.95                            | 3,633.13                            |
| Other Expenses                                                                        | 36       | 4,220.60                            | 4,669.35                            |
| Total Expenses (IV)                                                                   |          | 31,991.07                           | 33,190.99                           |
| V Profit before Exceptional Items (III - IV)                                          |          | (20.00)                             | 958.23                              |
| VI Exceptional Items                                                                  | 37       | -                                   | 988.77                              |
| V Profit before tax (III - IV)                                                        |          | (20.00)                             | (30.54)                             |
| VI Tax expense                                                                        | 8        |                                     |                                     |
| - Current Tax                                                                         |          | 194.12                              | 378.10                              |
| - Deferred Tax                                                                        |          | 128.53                              | 285.39                              |
|                                                                                       |          | 322.65                              | 663.49                              |
| VII (Loss) for the Year (V - VI)                                                      |          | (342.65)                            | (694.03)                            |
| VIII Other Comprehensive Income                                                       |          |                                     |                                     |
| Items that will not be reclassified to profit or loss:                                |          |                                     |                                     |
| - Remeasurement of net defined benefit liability                                      |          | 86.21                               | 58.09                               |
| - Fair value gain/(loss) on investments in equity instruments designated as at FVTOCI |          | (2.02)                              | (2.75)                              |
| - Income tax relating to items that will not be reclassified to profit or loss        | 8        | (25.11)                             | (16.91)                             |
| Total Other Comprehensive Income                                                      |          | 59.08                               | 38.43                               |
| IX Total Comprehensive (Loss)/Income for the Year (VII + VIII)                        |          | (283.57)                            | (655.60)                            |
| (Loss)/Profit for the year Attributable to:                                           |          |                                     |                                     |
| Owners of the Company                                                                 |          | (342.65)                            | (694.03)                            |
| Non-Controlling Interests                                                             |          | -                                   | -                                   |
| Other Comprehensive Income for the year Attributable to:                              |          |                                     |                                     |
| Owners of the Company                                                                 |          | 59.08                               | 38.43                               |
| Non-Controlling Interests                                                             |          | -                                   | -                                   |
| Total Comprehensive (Loss)/Income for the year Attributable to:                       |          |                                     |                                     |
| Owners of the Company                                                                 |          | (283.57)                            | (655.60)                            |
| Non-Controlling Interests                                                             |          | -                                   | -                                   |
| X Earnings per Equity Share (Face Value of ₹ 10 each)                                 | 40       |                                     |                                     |
| - Basic (in ₹)                                                                        |          | (2.38)                              | (4.86)                              |
| - Diluted (in ₹)                                                                      |          | (2.38)                              | (4.84)                              |

See accompanying notes forming part of the consolidated financial statements  
In terms of our report attached

For Deloitte Haskins & Sells LLP  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

P. Usha Parvathy  
Partner

Place: Chennai  
Date: 13 May 2026

Suresh Krishnamurthi Rao  
Chairman  
DIN: 00127809  
Place: Chennai

S. Prasath  
Chief Financial Officer  
Place: Chennai  
Date: 13 May 2026

For and on behalf of the Board of Directors

V. M. Srinivasan  
Chief Executive Officer  
Place: Chennai

Bharatraj Panchal  
Company Secretary  
Place: Chennai

# Consolidated Cash Flow Statement

For the year ended 31 March 2026

(₹ in Lakhs)

| Particulars                                                                                                | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>A. Cash flow from Operating Activities</b>                                                              |                                     |                                     |
| Profit for the year                                                                                        | (342.65)                            | (694.03)                            |
| Adjustment for:                                                                                            |                                     |                                     |
| Income Tax Expense                                                                                         | 322.65                              | 663.49                              |
| Depreciation of property, plant and equipment                                                              | 2,841.95                            | 3,633.13                            |
| Dividend Income                                                                                            | (0.08)                              | -                                   |
| Gain on redemption of investments                                                                          | (24.84)                             | (17.57)                             |
| Equity settled share-based payment expense                                                                 | -                                   | 11.16                               |
| Interest Income on fixed deposits with banks                                                               | (3.70)                              | (13.53)                             |
| Interest Income on Income Tax Refund                                                                       | (14.98)                             | -                                   |
| Finance Costs                                                                                              | 768.69                              | 492.50                              |
| Gain on disposal of property, plant and equipment                                                          | (274.71)                            | (62.80)                             |
| Bad Receivables written off                                                                                | 39.08                               | 78.27                               |
| Capital work in progress written off                                                                       | -                                   | 988.77                              |
| Provision for Expected credit loss (Net)                                                                   | (40.03)                             | (71.35)                             |
| Liabilities no longer required written back                                                                | (97.76)                             | (163.69)                            |
| Unrealised Exchange Variation (Net)                                                                        | 10.97                               | (8.61)                              |
| <b>Operating cash flows before movements in working capital</b>                                            | <b>3,184.59</b>                     | <b>4,835.74</b>                     |
| (Increase)/Decrease in Trade Receivables                                                                   | (329.07)                            | 38.15                               |
| (Increase)/Decrease in Other Non Current and Current Financial assets and Non current and Current assets   | 38.57                               | (82.45)                             |
| (Increase)/Decrease in Inventories                                                                         | 128.00                              | (1,116.92)                          |
| Increase/(Decrease) in Trade Payables Other Current liabilities and Non-Current Liabilities and Provisions | 887.80                              | 936.14                              |
| <b>Changes in Working Capital and Other changes</b>                                                        | <b>725.30</b>                       | <b>(225.08)</b>                     |
| <b>Cash generated by operations</b>                                                                        | <b>3,909.89</b>                     | <b>4,610.66</b>                     |
| Income Taxes (Paid)/Refund and Interest Income Received                                                    | (100.52)                            | (619.76)                            |
| <b>Net cash from Operating Activities (A)</b>                                                              | <b>3,809.37</b>                     | <b>3,990.90</b>                     |
| <b>B. Cash flow from Investing Activities</b>                                                              |                                     |                                     |
| Purchase of Property, Plant and Equipment                                                                  | (9,121.91)                          | (11,338.98)                         |
| Proceeds from Sale of Property, Plant and Equipment and Assets Held for Sale                               | 1,524.56                            | 232.79                              |
| Redemption/(Investment) in Mutual Funds (Net)                                                              | (444.85)                            | (48.63)                             |
| Net movement in Bank balances not considered as Cash and cash equivalents                                  | (41.35)                             | 2,422.73                            |
| Dividend Received from Non-current and Current Investments                                                 | 0.08                                | -                                   |
| Interest Income                                                                                            | 23.17                               | 133.49                              |
| <b>Net Cash (used in) Investing Activities (B)</b>                                                         | <b>(8,060.30)</b>                   | <b>(8,598.60)</b>                   |
| <b>C. Cash flow from Financing Activities</b>                                                              |                                     |                                     |
| Dividend Paid, including movement from unpaid dividend account                                             | (179.92)                            | (173.19)                            |
| Issue of Equity Shares                                                                                     | 9.78                                | 104.10                              |
| Payment of lease liabilities                                                                               | (44.78)                             | (35.18)                             |
| Borrowings taken/(repaid) from related party (net)                                                         | 1,100.00                            | -                                   |
| Proceeds from Term Loan taken                                                                              | 2,550.00                            | 6,880.00                            |
| Finance Cost on Lease Liabilities                                                                          | (21.38)                             | (16.48)                             |
| Repayment of Term Loan made during the year                                                                | (1,674.00)                          | (646.50)                            |
| Short term Borrowings (repaid)/taken (net)                                                                 | 2,066.50                            | 200.00                              |
| Finance Costs paid on Borrowings                                                                           | (749.43)                            | (440.47)                            |
| <b>Net Cash from/(used in) Financing Activities (C)</b>                                                    | <b>3,056.77</b>                     | <b>5,872.28</b>                     |
| <b>D. Net (Decrease)/Increase in Cash and Cash Equivalents (A) + (B) + (C)</b>                             | <b>(1,194.16)</b>                   | <b>1,264.58</b>                     |
| <b>E. Cash and Cash Equivalents (Opening)</b>                                                              | <b>1,948.66</b>                     | <b>684.08</b>                       |
| <b>F. Cash and Cash Equivalents (Closing)</b>                                                              | <b>754.50</b>                       | <b>1,948.66</b>                     |

# Consolidated Cash Flow Statement (Contd.)

For the year ended 31 March 2026

## Notes:

### (i) Reconciliation of Cash and cash equivalents

(₹ in Lakhs)

| Particulars                                                                                                                     | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|---------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Cash and Cash Equivalents as per Balance Sheet                                                                                  | 1.70                                | 470.10                              |
| <b>Add:</b> Current investments considered as part of Cash and cash equivalents<br>(as defined in INDAS 7 Cash Flow Statements) | 752.80                              | 1,478.56                            |
| <b>Cash and cash equivalents at the end of the Year</b>                                                                         | <b>754.50</b>                       | <b>1,948.66</b>                     |

### (ii) Changes in liabilities arising from financing activities

(₹ in Lakhs)

| Particulars                      | As at 01 April 2025 | Cash Flows | Others   | As at 31 March 2026 |
|----------------------------------|---------------------|------------|----------|---------------------|
| Current Borrowings (Note 23)     | 1,874.00            | 2,066.50   | 212.50   | 4,153.00            |
| Non-Current Borrowings (Note 19) | 6,379.50            | 1,976.00   | (212.50) | 8,143.00            |
| Lease Liabilities                | 180.56              | (44.78)    | 143.73   | 279.51              |
| Accrued Interest (Note 25)       | 47.84               | (47.84)    | 45.72    | 45.72               |

(₹ in Lakhs)

| Particulars                  | As at 01 April 2024 | Cash Flows | Others   | As at 31 March 2025 |
|------------------------------|---------------------|------------|----------|---------------------|
| Current Borrowings (Note 23) | 181.50              | 180.87     | 1,511.63 | 1,874.00            |
| Non-Current Borrowings       | 1,638.50            | 1,638.50   | 3,102.50 | 6,379.50            |
| Lease Liabilities            | 191.07              | (28.17)    | 17.66    | 180.56              |
| Accrued Interest (Note 25)   | 12.29               | (12.29)    | 47.84    | 47.84               |

See accompanying notes forming part of the consolidated financial statements.

In terms of our report attached

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**P. Usha Parvathy**  
Partner

**Place:** Chennai  
**Date:** 13 May 2026

**Suresh Krishnamurthi Rao**  
Chairman  
DIN: 00127809  
**Place:** Chennai

**S Prasath**  
Chief Financial Officer  
**Place:** Chennai  
**Date:** 13 May 2026

**For and on behalf of the Board of Directors**

**V. M. Srinivasan**  
Chief Executive Officer  
**Place:** Chennai

**Bharatraj Panchal**  
Company Secretary  
**Place:** Chennai

# Statement of Consolidated Changes in Equity

For the year ended 31 March 2026

## A. EQUITY SHARE CAPITAL

| Particulars                                                    | As at 31 March 2026 | As at 31 March 2025 |
|----------------------------------------------------------------|---------------------|---------------------|
| Balance as at beginning of the Year                            | 1,436.37            | 1,422.66            |
| Changes in equity share capital during the year                |                     |                     |
| Issue of equity shares under share option plan (Refer Note 45) | 1.00                | 13.71               |
| <b>Closing Balance</b>                                         | <b>1,437.37</b>     | <b>1,436.37</b>     |

(₹ in Lakhs)

## B. OTHER EQUITY

| Particulars                                                          | Share Application Money Pending Allotment | Capital Reserve | Capital Redemption Reserve | Securities Premium Account | Share Based Payment Reserve | Retained Earnings | Equity Instruments Fair value through Other Comprehensive Income | Total Other Equity |
|----------------------------------------------------------------------|-------------------------------------------|-----------------|----------------------------|----------------------------|-----------------------------|-------------------|------------------------------------------------------------------|--------------------|
| <b>Balance at 1 April 2024</b>                                       | <b>41.09</b>                              | <b>15.67</b>    | <b>960.00</b>              | <b>34,995.61</b>           | <b>129.02</b>               | <b>1,150.48</b>   | <b>11.96</b>                                                     | <b>37,303.82</b>   |
| (Loss)/Profit for the year                                           | -                                         | -               | -                          | -                          | -                           | (694.03)          | -                                                                | (694.03)           |
| Recognition of Employee stock based compensation                     | -                                         | -               | -                          | -                          | 11.16                       | -                 | -                                                                | 11.16              |
| Share Application Money Received                                     | 95.29                                     | -               | -                          | -                          | -                           | -                 | -                                                                | 95.29              |
| Shares Allotted                                                      | (136.38)                                  | -               | -                          | -                          | (111.86)                    | -                 | -                                                                | (248.24)           |
| Securities Premium on issue of Equity Shares                         | -                                         | -               | -                          | 234.46                     | -                           | -                 | -                                                                | 234.46             |
| Payment of Dividend on equity shares                                 | -                                         | -               | -                          | -                          | -                           | (178.46)          | -                                                                | (178.46)           |
| Payment of Dividend Distribution Tax on equity shares                | -                                         | -               | -                          | -                          | -                           | -                 | -                                                                | -                  |
| Equity Instruments through Other Comprehensive Income (net of taxes) | -                                         | -               | -                          | -                          | -                           | -                 | (2.75)                                                           | (2.75)             |
| Remeasurement of Defined Benefit Plans (net of taxes)                | -                                         | -               | -                          | -                          | -                           | 41.18             | -                                                                | 41.18              |

(₹ in Lakhs)

# Statement of Consolidated Changes in Equity (Contd.)

For the year ended 31 March 2026

## B. OTHER EQUITY (Contd.)

| Particulars                                                          | Share Application Money Pending Allotment | Capital Reserve | Capital Redemption Reserve | Securities Premium Account | Share Based Payment Reserve | Retained Earnings | Equity Instruments Fair value through Other Comprehensive Income | Total Other Equity |
|----------------------------------------------------------------------|-------------------------------------------|-----------------|----------------------------|----------------------------|-----------------------------|-------------------|------------------------------------------------------------------|--------------------|
| <b>Balance at 31 March 2025</b>                                      | -                                         | 15.67           | 960.00                     | 35,230.07                  | 28.32                       | 319.18            | 9.21                                                             | 36,562.44          |
| Profit/(Loss) for the year                                           | -                                         | -               | -                          | -                          | -                           | (342.65)          | -                                                                | (342.65)           |
| Recognition of Employee stock based compensation                     | -                                         | -               | -                          | -                          | (4.78)                      | -                 | -                                                                | (4.78)             |
| Share Application Money Received                                     | 9.78                                      | -               | -                          | -                          | -                           | -                 | -                                                                | 9.78               |
| Shares Allotted                                                      | (9.78)                                    | -               | -                          | -                          | (8.49)                      | -                 | -                                                                | (18.27)            |
| Securities Premium on issue of Equity Shares                         | -                                         | -               | -                          | 17.27                      | -                           | -                 | -                                                                | 17.27              |
| ESOP options lapsed                                                  | -                                         | -               | -                          | -                          | (15.05)                     | 15.05             | -                                                                | -                  |
| Payment of Dividend on equity shares                                 | -                                         | -               | -                          | -                          | -                           | (179.55)          | -                                                                | (179.55)           |
| Equity Instruments through Other Comprehensive Income (net of taxes) | -                                         | -               | -                          | -                          | -                           | -                 | (2.02)                                                           | (2.02)             |
| Remeasurement of Defined Benefit Plans (net of taxes)                | -                                         | -               | -                          | -                          | -                           | 61.10             | -                                                                | 61.10              |
| <b>Balance at 31 March 2026</b>                                      | <b>0.00</b>                               | <b>15.67</b>    | <b>960.00</b>              | <b>35,247.34</b>           | <b>-</b>                    | <b>(126.87)</b>   | <b>7.19</b>                                                      | <b>36,103.32</b>   |

See accompanying notes forming part of the consolidated financial statements  
In terms of our report attached

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**P. Usha Parvathy**  
Partner

**Suresh Krishnamurthi Rao**  
Chairman  
DIN: 00127809  
Place: Chennai

Place: Chennai  
Date: 13 May 2026

**S. Prasath**  
Chief Financial Officer  
Place: Chennai  
Date: 13 May 2026

For and on behalf of the Board of Directors

**V. M. Srinivasan**  
Chief Executive Officer  
Place: Chennai

**Bharatraj Panchal**  
Company Secretary  
Place: Chennai

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## 1. GENERAL INFORMATION

Chemfab Alkalies Limited ("the Parent Company") and Chemfab Karaikal Limited ("the Subsidiary") (together "the Group") is in the business of manufacturing of basic inorganic chemicals and PVC pipes.

The name of the Parent Company was changed from Teamec Chlorates Limited to Chemfab Alkalies Limited on July 21, 2017, vide revised certificate of incorporation issued by the Registrar of Companies pursuant to the scheme of amalgamation ('scheme') approved by the National Company Law Tribunal (NCLT) Chennai vide its order dated 30 March 2017. Erstwhile Chemfab Alkalies Limited a listed entity, had merged with the Parent Company pursuant to the scheme and consequently the Parent Company's equity shares have been listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) with effect from 25 April 2018.

During the year ended 31 March 2020, Chemfab Alkalies Limited ('CAL') has incorporated a wholly owned subsidiary, Chemfab Karaikal Limited ('CAKL').

### Material Accounting Policies

#### Impact of the initial application of new and amended Ind ASs that are effective for the current year:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

During the year ended March 31, 2026, MCA has notified Amendments to Ind AS 21 – The Effect of Changes in Foreign Exchange Rates titled Lack of Exchangeability, Amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures titled Supplier Finance Arrangements, Amendments to Ind AS 12 Income Taxes titled International Tax Reform—Pillar Two Model Rules which does not have impact to the Group.

With regard to Amendments to IND AS 1, refer note 19 on Borrowings for details relating to covenants.

At the date authorisation of these consolidated financial statements, the Group has not applied the following new and revised Ind AS that have been issued but are not yet effective:

Amendments to Ind AS 1 Presentation of Financial Statements: Where a covenant breach exists on or before the reporting date and, as a result, the liability becomes payable on demand on that date, the liability must be classified as current, even if the

liability subsequently (i.e., after the reporting date but before approval of the financial statements) agrees not to demand payment.

The directors do not expect that the adoption of the standards listed above will have a material impact on the Consolidated financial statements of the Group in future periods.

### 1.1 Principles of Consolidation

The Consolidated financial statements relate to the Parent Company and its Subsidiary. The Consolidated financial statements have been prepared on the following basis:

The financial statements of the Parent Company and its Subsidiary have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating material intra-group balances, intragroup transactions and resulting unrealised profits or losses, unless cost cannot be recovered.

The Consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances are presented to the extent possible, in the same manner as the Parent Company's standalone financial statements.

The details of the companies considered in the preparation of the consolidated financial statements are given below:

Name: Chemfab Karaikal Limited; Country of Incorporation: India;

Relationship: Wholly Owned Subsidiary; Effective Ownership Interest as at 31 March 2026: 100% (As at 31 March 2025 - 100%).

### 1.2 Basis Of Accounting

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the 2013 Act read with the Companies (Indian Accounting Standards) Rules 2015 and other relevant provisions of the 2013 Act.

These Financial Statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, The Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

## Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the Group have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Refer note 1.2 in Standalone Financial Statement of the Parent and Refer note 1.2 Standalone Financial Statement Subsidiary.

## 1.3 Basis of preparation of financial statements

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- **Level 1** inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- **Level 2** inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- **Level 3** inputs are unobservable inputs for the asset or liability.

## 1.4 Use of Estimates

The preparation of the financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results may vary from these estimates and the differences between the actual results and the estimates are recognized in

the periods in which the results are known/materialize. Revisions to accounting estimates are recognized prospectively in the year in which the estimate is revised and/or in future years, as applicable.

## 1.5 Operating Cycle

Based on the nature of products/activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

## 1.6 Revenue recognition

### (i) Sale of Goods/Services:

The Group derives revenues primarily from sale of manufacturing of inorganic chemicals viz Caustic Soda Lye, Chlorine, Hydrogen, Hydrochloric acid, Sodium Hypo and Sodium Chlorate and also from PVC-O pipes. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration expected to be received in exchange for those products or services. Revenue is reduced for estimated customer returns, rebates and other similar allowances. Accordingly, the revenue is recognised on point in time basis.

### a) Sale of products:

Revenues and costs relating to sale of products are recognized as the related goods are delivered, and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to The Group; and
- the costs incurred or to be incurred in respect of the transactions can be measured reliably.

b) Income from service activities is accounted for on rendering the service in accordance with the

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

contractual terms and when there is no uncertainty in receiving the same.

## (II) Other Income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Dividend Income is accounted when the right to receive is established.

## 1.7 Inventories

Inventories are valued at the lower of cost and net realizable value. Cost includes cost of purchase, cost of conversion, and other costs incurred in bringing the inventories to their present location and condition and is net of taxes where applicable. The methods of determination of cost of various categories of inventory are as follows:

- Raw Materials, Fuel and Stores and Spares.
- On weighted average basis.
- Finished goods and Work in Progress at lower of Cost, which includes appropriate production overheads and Net Realizable Value, the cost being determined on weighted average basis.

Due allowance is estimated and made by the Management for slow moving/non-moving items of inventory, where ever necessary, based on the technical assessment and such allowances are adjusted against the closing inventory value. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and cost necessary to make the sale.

## 1.8 Cash and Cash Equivalent (For the purpose of Cash Flow Statement)

Cash comprises of cash on hand and demand deposits with banks. Cash Equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash which are subject to an insignificant risk of changes in value.

Bank balances other than the balance included in cash and cash equivalents represents balance on account of unpaid dividend and margin money deposit with banks.

## 1.9 Cash Flow Statement

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

## 1.10 Property, Plant and Equipment (PPE) and Depreciation on Property Plant and Equipment

Property, Plant and Equipment (PPE's) are recorded at cost less accumulated depreciation and accumulated impairment loss (if any). The Group capitalizes all costs relating to acquisition and installation of Property, Plant and Equipment. The cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying Property, Plant and Equipment up to the date the Property, Plant and Equipment is ready for its intended use.

Cost of spares relating to specific item of Property, Plant and Equipment is capitalized. Cost of modifications that enhance the operating performance or extend the useful life of Property, Plant and Equipment are also capitalized, where there is a certainty of deriving future economic benefits from the use of such assets.

Any part or components of Property, Plant and Equipment which are separately identifiable and expected to have a useful life which is different from that of the main assets are capitalized separately, based on the technical assessment of the Management.

Advances paid towards the acquisition of Property, Plant and Equipment outstanding at each balance sheet date are disclosed as "Capital Advances" under Other Non Current Assets and cost of Property, Plant and Equipment not ready to use before such date are disclosed under "Capital Work- in- Progress".

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## Depreciation:

Depreciable amount for assets is the cost of an asset less its estimated residual value.

Depreciation on Property, Plant and Equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of Continuous Process Plant, in whose case the life of the assets has been assessed as 18 years based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Depreciation is also accelerated on Property, Plant & Equipment, based on their condition, usability etc. as per the technical estimates of the Management, where necessary.

## Intangible Assets:

Intangible fixed assets acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses (if any). Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life of intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern.

## Research and Development:

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when The Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale.
- Its intention to complete and its ability and intention to use or sell the asset.
- How the asset will generate future economic benefits.
- The availability of resources to complete the asset.
- The ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is

available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

## Derecognition of Property, Plant and Equipment:

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

## 1.11 Borrowing Cost

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

## 1.12 Government Grants, Subsidies and Export Incentives

Government grants and subsidies are recognised when there is reasonable assurance that the Group will comply with the conditions attached to them and the grants/subsidies will be received. Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.

Export benefits, if any, are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Government grants in the nature of promoters' contribution like investment subsidy, where no

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

repayment is ordinarily expected in respect thereof, are accounted in Reserves and Surplus in Other Equity. Government grants in the form of non-monetary assets, given at a concessional rate, are recorded on the basis of their acquisition cost. In case the non-monetary asset is given free of cost, the grant is recorded at a nominal value.

Other government grants and subsidies are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

## 1.13 Foreign Currency Transactions

### Initial Recognition:

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

### Subsequent Recognition:

As at the reporting date, non monetary assets and liabilities which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate prevalent at the date of the transaction. Foreign currency monetary assets and liabilities are reported using the exchange rate prevalent at the date of the balance sheet.

### Treatment of Exchange Differences:

Foreign exchange gains and losses resulting from the settlement/restatement of monetary assets and liabilities of The Group are recognised as income or expense in the statement of profit and loss.

## 1.14 Employee Benefits

### Retirement benefit costs and termination benefits:

#### i) Defined Benefit Plans:

##### Employee defined benefit plans include gratuity.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or

loss. Past service cost is recognised in the Statement of profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements).
- Net interest expense or income; and
- Remeasurement comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability).

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in The Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

The Group makes contribution to a scheme administered by the insurer to discharge gratuity liabilities to the employees.

### Short-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

#### ii) Defined Contribution Plans

Employee defined contribution plans include Provident Fund, Employee state insurance and Super Annuation Fund.

### Provident Fund and Employee State Insurance:

All employees of the Group receive benefits from Provident Fund and Employee's State Insurance (where applicable), which are defined contribution plans. Both, the employee and The Group make monthly contributions to the plan, each equalling to

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

a specified percentage of employee's basic salary. The Group has no further obligations under the plan beyond its monthly contributions. The Group contributes to the Employee Provident Fund and Employee's State Insurance (where applicable) scheme maintained by the Central Government of India and the contribution thereof is charged to the Statement of Profit and Loss in the year in which the services are rendered by the employees.

## Super Annuation Fund:

The Group makes contribution to a scheme administered by the insurer to discharge its liabilities towards super annuation to the eligible employees. The Group has no other liability other than its annual contribution.

## 1.15 Employee Share Based Payments

Employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

### Equity-settled transactions:

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and The Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of The Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

## 1.16 Taxation

Income taxes comprise Current and deferred tax. Income tax expense/credit is recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are also recognised in other comprehensive income or directly in equity, respectively.

### Current Tax and Prior Period Tax:

Current income tax liability/(asset) for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

### Deferred Tax:

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognized on deductible and taxable temporary differences between the carrying amounts of assets and liabilities in the Ind AS financial statements and the corresponding tax bases of such assets and

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

liabilities. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which The Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

## Minimum Alternate Tax (MAT):

Minimum Alternate Tax (MAT) paid as current tax expense in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as tax credit and recognised as deferred tax asset when there is reasonable certainty that the Parent Company will pay normal income tax in the future years and future economic benefit associated with it will flow to the Parent Company. The carrying amount is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

## 1.17 Segment Reporting

Operating segments reflect the Group's management structure and the way the financial information is regularly reviewed by The Group's Chief operating decision maker (CODM). The CEO of the Group has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM considers the business from both business and product perspective based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/(loss) amounts are evaluated

regularly by the CODM in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue, where applicable, is accounted on the basis of transactions which are primarily determined based on market/fair value factors.

Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue/expenses/assets/liabilities".

## 1.18 Leases

The Group assesses whether a contract contains a lease, at inception of a contract. 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. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (1) the contract involves the use of an identified asset (2) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

They are subsequently measured at cost less accumulated depreciation and impairment losses.

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

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if The Group changes its assessment if whether it will exercise an extension or a termination option.

## 1.19 Earnings per share

Basic earnings per share is computed by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits/reverse share splits and bonus shares, as appropriate.

## 1.20 Provisions and contingent liabilities

A provision is recognised when the Group has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are determined based on the best estimate required to settle the obligation at the balance sheet date and measured using the present value of cash flows estimated to settle the present obligations (when the effect of time value of money is material). These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Group or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. The Group does not recognize a contingent liability but discloses its existence in the Financial Statements. Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

## 1.21 Provision for warranty

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise - being typically upto three years.

## 1.22 Insurance Claims

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

## 1.23 Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value except in respect of Trade receivables that do not have a significant financial component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in profit and loss.

## 1.24 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

### Classification of financial assets:

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, The Group may make the following irrevocable election/designation at initial recognition of a financial asset:

- The Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see (iii) below); and
- The Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (see (iv) below). All other financial assets are subsequently measured at fair value.

### (i) Amortised cost and effective interest method:

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, The Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in profit or loss and is included in the 'Other income' line item.

## (ii) Debt instruments classified as at FVTOCI:

The debt instruments are initially measured at fair value plus transaction costs.

Subsequently, changes in the carrying amount of these debt instruments as a result of foreign exchange gains and losses (see below), impairment gains or losses (see below), and interest income calculated using the effective interest method (see (i) above) are recognised in profit or loss. The amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if these debt instruments had been measured at amortised cost. All other changes in the carrying amount of these debt instruments are recognised in other comprehensive income and accumulated in a separate component of equity. When these debt instruments are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

## (iii) Equity instruments designated as at FVTOCI:

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading:

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs.

Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in a separate component of equity. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with Ind AS 109, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the 'Other income' line item in profit or loss.

The Group designates all investments in equity instruments that are not held for trading as at FVTOCI on initial recognition.

A financial asset is held for trading if:

- It has been acquired principally for the purpose of selling it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that The Group manages together and has a recent actual pattern of short-term profit-taking.

## (iv) Financial assets at fair value through profit or loss (FVTPL):

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI (see (i) to (iii) above) are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless The Group designates an equity investment that is neither held for trading (see (iii) above).
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria (see (i) and (ii) above) are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss includes

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

any dividend or interest earned on the financial asset and is included in the 'other income' line item.

## Foreign exchange gains and losses:

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'other income' line item;
- for debt instruments measured at FVTOCI that are not part of a designated hedging relationship, exchange differences on the amortised cost of the debt instrument are recognised in profit or loss in the 'other income' line item. As the foreign currency element recognised in profit or loss is the same as if it was measured at amortised cost, the residual foreign currency element based on the translation of the carrying amount (at fair value) is recognised in other comprehensive income in a separate component of equity;
- for financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'other income' line item as part of the fair value gain or loss; and
- for equity instruments measured at FVTOCI, exchange differences are recognised in other comprehensive income in a separate component of equity.

## Impairment of financial assets:

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets, financial guarantee contracts, and certain other financial assets measured at amortised cost such as deferred consideration receivable on disposal of subsidiaries. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all

cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

For trade receivables, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient method as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

## De-recognition of financial assets:

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

cumulative gain or loss previously accumulated in a separate component of equity is reclassified to profit or loss. In contrast, on derecognition of an investment in an equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in a separate component of equity is not reclassified to profit or loss, but is transferred to retained earnings.

## 1.25 Financial liabilities and equity instruments

### Classification as debt or equity:

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs. Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group, are measured in accordance with the specific accounting policies set out below.

### Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is (i) held for trading or (ii) it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking;

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other income' line item in profit or loss.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are recognised in retained earnings. Gains or losses on financial guarantee contracts issued by the Group that are designated by The Group as at FVTPL are recognised in profit or loss.

### Financial liabilities subsequently measured at amortised cost:

Financial liabilities that are not held-for-trading or designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## Foreign exchange gains and losses:

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the 'other income' line item in profit or loss for financial liabilities.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss for financial liabilities.

## Derecognition of financial liabilities:

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the Group exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification is recognised in profit or loss as the modification gain or loss within 'other income'.

## 1.26 Impairment of Tangible and Intangible Assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets or cash generating units to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the

recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, or whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

## 1.27 Dividend

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Board of Directors of the companies in the Group. The Group declares and pays dividends in Indian rupees and are subject to applicable taxes.

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## 1.28 Asset held for sale

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether The Group will retain a non-controlling interest in its former subsidiary after the sale.

## 1.29 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of Financial Statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and

the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures. Uncertainty about the assumptions and estimates could result in outcomes that require a material adjustment to the carrying value of assets or liabilities affected in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in Financial Statements is included in the following notes:

- (i) Useful lives of Property, Plant and Equipment.
- (ii) Employee Benefits.

### Determination of functional currency:

Currency of the primary economic environment in which The Group operates ("the functional currency") is Indian Rupee (INR) in which the Group primarily generates and expends cash. Accordingly, the Management has assessed its functional currency to be Indian Rupee (INR).

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## 2. PROPERTY PLANT AND EQUIPMENT AND OTHER INTANGIBLE ASSETS

### I-Current year ended 31 March 2026

(₹ in Lakhs)

| Particulars                            | Gross Block         |                     |                           |                                      |                                               |                     | Accumulated Depreciation/Amortisation/Impairment |                 |                           |                                               | Net Block           |
|----------------------------------------|---------------------|---------------------|---------------------------|--------------------------------------|-----------------------------------------------|---------------------|--------------------------------------------------|-----------------|---------------------------|-----------------------------------------------|---------------------|
|                                        | As at 01 April 2025 | Transfers from CWIP | Additions during the year | Deletions/Adjustment during the year | Reclassified as held for sale (Refer Note 16) | As at 31 March 2026 | As at 01 April 2025                              | For the year    | Deletions during the year | Reclassified as held for sale (Refer Note 16) | As at 31 March 2026 |
| <b>A. Property Plant and Equipment</b> |                     |                     |                           |                                      |                                               |                     |                                                  |                 |                           |                                               |                     |
| Land - Freehold (Refer Note 19)        | 2,198.54            | -                   | -                         | -                                    | 1,331.83                                      | 866.71              | -                                                | -               | -                         | -                                             | 866.71              |
| Buildings (Refer Note 19)              | 7,269.13            | 42.20               | -                         | 44.52                                | 133.94                                        | 7,132.87            | 958.95                                           | 274.46          | 2.58                      | 111.18                                        | 1,119.65            |
| Plant and Equipment (Refer Note 19)    | 34,903.38           | 12,042.91           | -                         | 4,995.07                             | 1,266.99                                      | 40,684.23           | 13,438.15                                        | 2,398.53        | 4,621.60                  | 455.10                                        | 10,759.98           |
| Furniture and Fixtures                 | 128.61              | 87.33               | -                         | 12.31                                | 0.62                                          | 203.01              | 53.16                                            | 13.62           | 9.16                      | 0.58                                          | 57.04               |
| Vehicles                               | 251.41              | 0.13                | -                         | -                                    | -                                             | 251.54              | 96.96                                            | 27.48           | -                         | -                                             | 124.44              |
| Office Equipments                      | 295.99              | 17.20               | -                         | 2.58                                 | 0.38                                          | 310.23              | 177.33                                           | 38.40           | 1.34                      | 0.36                                          | 214.03              |
| <b>TOTAL (A)</b>                       | <b>45,047.06</b>    | <b>12,189.77</b>    | <b>0.00</b>               | <b>5,054.48</b>                      | <b>2,733.76</b>                               | <b>49,448.59</b>    | <b>14,724.55</b>                                 | <b>2,752.50</b> | <b>4,634.68</b>           | <b>567.22</b>                                 | <b>12,275.15</b>    |
| <b>B. Other Intangible Assets</b>      |                     |                     |                           |                                      |                                               |                     |                                                  |                 |                           |                                               |                     |
| Computer Software                      | 179.22              | 81.27               | -                         | -                                    | -                                             | 260.49              | 175.54                                           | 26.19           | -                         | -                                             | 201.73              |
| <b>TOTAL (B)</b>                       | <b>179.22</b>       | <b>81.27</b>        | <b>-</b>                  | <b>-</b>                             | <b>-</b>                                      | <b>260.49</b>       | <b>175.54</b>                                    | <b>26.19</b>    | <b>-</b>                  | <b>-</b>                                      | <b>201.73</b>       |
| <b>TOTAL (A + B)</b>                   | <b>45,226.28</b>    | <b>12,271.04</b>    | <b>0.00</b>               | <b>5,054.48</b>                      | <b>2,733.76</b>                               | <b>49,709.08</b>    | <b>14,900.09</b>                                 | <b>2,778.69</b> | <b>4,634.68</b>           | <b>567.22</b>                                 | <b>12,476.88</b>    |
|                                        |                     |                     |                           |                                      |                                               |                     |                                                  |                 |                           |                                               | <b>37,232.20</b>    |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## 2. PROPERTY PLANT AND EQUIPMENT AND OTHER INTANGIBLE ASSETS

### II-Previous year ended 31 March 2025

| Particulars                            | Gross Block               |                        |                                 |                                             |                           | Accumulated Depreciation/<br>Amortisation/Impairment |                           | Net Block                 |                           |
|----------------------------------------|---------------------------|------------------------|---------------------------------|---------------------------------------------|---------------------------|------------------------------------------------------|---------------------------|---------------------------|---------------------------|
|                                        | As at<br>01 April<br>2024 | Transfers<br>from CWIP | Additions<br>during the<br>year | Deletions/<br>Adjustment<br>during the year | As at<br>31 March<br>2025 | As at<br>01 April<br>2024                            | As at<br>31 March<br>2025 | As at<br>31 March<br>2025 | As at<br>31 March<br>2025 |
| <b>A. Property Plant and Equipment</b> |                           |                        |                                 |                                             |                           |                                                      |                           |                           |                           |
| Land - Freehold (Refer Note 19)        | 2,198.54                  | -                      | -                               | -                                           | 2,198.54                  | -                                                    | -                         | -                         | 2,198.54                  |
| Buildings (Refer Note 19)              | 5,757.74                  | 1,511.39               | -                               | -                                           | 7,269.13                  | 700.05                                               | 258.90                    | 958.95                    | 6,310.18                  |
| Plant and Equipment (Refer Note 19)    | 26,025.87                 | 9,087.44               | -                               | 209.93                                      | 34,903.38                 | 10,376.81                                            | 3,228.72                  | 13,438.15                 | 21,465.23                 |
| Furniture and Fixtures                 | 117.98                    | 13.97                  | -                               | 3.34                                        | 128.61                    | 43.52                                                | 10.14                     | 53.16                     | 75.45                     |
| Vehicles                               | 221.12                    | -                      | 30.29                           | -                                           | 251.41                    | 71.28                                                | 25.68                     | 96.96                     | 154.45                    |
| Office Equipments                      | 253.33                    | 42.66                  | -                               | 0.00                                        | 295.99                    | 136.42                                               | 40.91                     | 177.33                    | 118.66                    |
| <b>TOTAL (A)</b>                       | <b>34,574.58</b>          | <b>10,655.46</b>       | <b>30.29</b>                    | <b>213.27</b>                               | <b>45,047.06</b>          | <b>11,328.08</b>                                     | <b>3,564.35</b>           | <b>14,724.55</b>          | <b>30,322.51</b>          |
| <b>B. Other Intangible Assets</b>      |                           |                        |                                 |                                             |                           |                                                      |                           |                           |                           |
| Computer Software                      | 179.22                    | -                      | -                               | -                                           | 179.22                    | 173.67                                               | 1.87                      | 175.54                    | 3.68                      |
| <b>TOTAL (B)</b>                       | <b>179.22</b>             | <b>-</b>               | <b>-</b>                        | <b>-</b>                                    | <b>179.22</b>             | <b>173.67</b>                                        | <b>1.87</b>               | <b>175.54</b>             | <b>3.68</b>               |
| <b>TOTAL (A + B)</b>                   | <b>34,753.80</b>          | <b>10,655.46</b>       | <b>30.29</b>                    | <b>213.27</b>                               | <b>45,226.28</b>          | <b>11,501.75</b>                                     | <b>3,566.22</b>           | <b>14,900.09</b>          | <b>30,326.19</b>          |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## 3. LEASES

### Right of Use Assets:

(₹ in Lakhs)

| Particulars                     | Land            | Equipment     |
|---------------------------------|-----------------|---------------|
| <b>Cost</b>                     |                 |               |
| As at 01 April 2024             | 1,380.97        | 155.76        |
| <b>Add:</b> Additions           | 40.41           | -             |
| <b>Less:</b> Deletion           | (37.12)         | -             |
| <b>As at 31 March 2025</b>      | <b>1,384.26</b> | <b>155.76</b> |
| <b>Add:</b> Additions           | 47.95           | 106.70        |
| <b>Less:</b> Deletion           | (56.16)         | (42.40)       |
| <b>As at 31 March 2026</b>      | <b>1,376.05</b> | <b>220.06</b> |
| <b>Accumulated Amortisation</b> |                 |               |
| As at 01 April 2024             | 95.18           | 31.96         |
| Charge for the Year             | 48.75           | 18.15         |
| <b>Less:</b> Deletion           | (37.12)         | -             |
| <b>As at 31 March 2025</b>      | <b>106.81</b>   | <b>50.11</b>  |
| Charge for the Year             | 43.06           | 20.20         |
| <b>Less:</b> Deletion           | (56.18)         | (32.68)       |
| <b>As at 31 March 2026</b>      | <b>93.69</b>    | <b>37.63</b>  |
| <b>Carrying Amount</b>          |                 |               |
| As at 31 March 2025             | 1,277.45        | 105.65        |
| <b>As at 31 March 2026</b>      | <b>1,282.36</b> | <b>182.43</b> |

The Group has considered the OCC interest rate at the time of adoption of lease for the purpose of determination of discount rate for leases. The Group has leases for Land and certain equipment. The leases have remaining lease terms of 1 year upto 25 years with option to terminate or extend the lease.

(₹ in Lakhs)

| Particulars                                                                 | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|-----------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Amounts recognised in Statement of Profit and Loss were as follows:</b>  |                                     |                                     |
| Amortisation Expense on right-of-use assets                                 | 63.26                               | 66.91                               |
| Interest Expense on lease Liabilities                                       | 21.38                               | 16.48                               |
| Expense relating to short-term lease                                        | 70.79                               | 39.09                               |
| <b>Supplemental cash flow information related to leases was as follows:</b> |                                     |                                     |
| Total cash outflow for leases                                               | (44.78)                             | (35.18)                             |
| Additions to right of use assets                                            | 154.65                              | 40.41                               |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

The Company has considered the OCC interest rate at the time of adoption of lease for the purpose of determination of discount rate for leases. The Company has leases for Land and certain equipment. The leases have remaining lease terms of 1 year upto 25 years with option to terminate or extend the lease. (Contd.)

(₹ in Lakhs)

| Particulars                                            | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|--------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Maturities of Lease Liabilities were as follows</b> |                                     |                                     |
| <b>Undiscounted Lease Payments to be made</b>          | <b>419.50</b>                       | <b>261.52</b>                       |
| Not later than 1 year                                  | 58.98                               | 52.13                               |
| Later than 1 year and not later than 5 years           | 145.86                              | 86.50                               |
| Later than 5 years                                     | 214.65                              | 122.89                              |

## 4. CAPITAL WORK-IN-PROGRESS (ALSO REFER NOTE 16)

(₹ in Lakhs)

| Particulars                               | As at 31 March 2026 | As at 31 March 2025 |
|-------------------------------------------|---------------------|---------------------|
| Opening                                   | 3,593.72            | 7,391.87            |
| Additions                                 | 11,741.40           | 9,650.55            |
| Transfer to property, plant and equipment | (12,271.04)         | (10,655.46)         |
| Transfer to Assets held for Sale          | (8.60)              | (1,804.47)          |
| Written off (Also refer note 37)          | -                   | (988.77)            |
| <b>Closing</b>                            | <b>3,055.48</b>     | <b>3,593.72</b>     |

### a) CWIP Ageing Schedule

As at 31 March 2026

(₹ in Lakhs)

| CWIP Ageing schedule           | Less than<br>1 year | 1-2<br>years | 2-3<br>years | More than<br>3 years | Total    |
|--------------------------------|---------------------|--------------|--------------|----------------------|----------|
| Projects in Progress           | 2,739.71            | 48.63        | 128.82       | 138.33               | 3,055.48 |
| Projects temporarily suspended | -                   | -            | -            | -                    | -        |

As at 31 March 2025

(₹ in Lakhs)

| CWIP Ageing schedule           | Less than<br>1 year | 1-2<br>years | 2-3<br>years | More than<br>3 years | Total    |
|--------------------------------|---------------------|--------------|--------------|----------------------|----------|
| Projects in Progress           | 1,083.69            | 219.37       | 124.86       | 27.28                | 1,455.20 |
| Projects temporarily suspended | 2,138.52            | -            | -            | -                    | 2,138.52 |

### b) CWIP whose completion is overdue or exceed its cost

The above capital work in progress does not have any project whose completion is overdue or has exceeded its cost compared to original plan in the current and in the previous year. There are no projects whose activity is suspended.

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## 5. INVESTMENTS–NON CURRENT

(₹ in Lakhs)

| Particulars                                                                                                                               | As at 31 March 2026 | As at 31 March 2025 |
|-------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>Investment carried at fair value through Other Comprehensive Income</b>                                                                |                     |                     |
| <b>Quoted Investments (fully paid)</b>                                                                                                    |                     |                     |
| <b>Investment in Equity Instruments of Other entities</b>                                                                                 |                     |                     |
| 281 (P.Y. 281) Equity Shares of ₹ 10/- each of Summit Securities Limited                                                                  | 3.71                | 5.49                |
| 500 (P.Y. 500) Equity Shares of ₹ 10/- each of De Nora India Limited                                                                      | 3.41                | 3.43                |
| 300 (P.Y. 300) Equity Shares of ₹ 10/- each of TGV SRAAC Limited (formerly known as Sree Rayalaseema Alkalies & Allied Chemicals Limited) | 0.24                | 0.28                |
| 450 (P.Y. 450) Equity Shares of ₹ 5/- each of Kanoria Chemicals Limited                                                                   | 0.25                | 0.34                |
| 1000 (P.Y. Nil) Equity Shares of ₹ 10/- each of Abirami Financial Services (India) Ltd                                                    | 0.30                |                     |
| <b>Total</b>                                                                                                                              | <b>7.91</b>         | <b>9.54</b>         |
| <b>Aggregate Book value of Quoted Investment</b>                                                                                          | <b>7.91</b>         | <b>9.54</b>         |
| <b>Aggregate Market value of Quoted Investment</b>                                                                                        | <b>7.91</b>         | <b>9.54</b>         |
| Financial Assets carried at Fair value through Other Comprehensive Income (FVTOCI)                                                        | 7.91                | 9.54                |

## 6. OTHER INVESTMENTS–NON CURRENT

(₹ in Lakhs)

| Particulars                                                            | As at 31 March 2026 | As at 31 March 2025 |
|------------------------------------------------------------------------|---------------------|---------------------|
| Deposits with others                                                   | 216.53              | 174.80              |
| Bank deposits with more than 12 months maturity (Refer note 6.1 below) | 2.56                | 22.32               |
| <b>Total (Gross)</b>                                                   | <b>219.09</b>       | <b>197.12</b>       |
| <b>Less: Provision for Expected Credit Loss</b>                        | <b>-</b>            | <b>-</b>            |
| <b>Total (Net)</b>                                                     | <b>219.09</b>       | <b>197.12</b>       |

### Note:

**6.1** Includes Margin Money towards bank guarantee of ₹ 2.56 Lakhs (PY 2.40 Lakhs) which represents balances with banks that are restricted from being exchanged or used to settle a liability for more than 12 months from the Balance Sheet date. During the year ₹ 19.92 Lakhs has been classified as current. Also refer note 13B(i) below.

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## 7. TAX ASSETS (NET)-NON CURRENT

(₹ in Lakhs)

| Particulars                                                                                          | As at 31 March 2026 | As at 31 March 2025 |
|------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| Income Tax paid/TDS Receivable<br>(Net of provision for tax of ₹ 568.47 Lakhs (PY ₹ 3,361.91 Lakhs)) | 189.76              | 279.13              |
| <b>Total</b>                                                                                         | <b>189.76</b>       | <b>279.13</b>       |

## 8. CURRENT TAXES AND DEFERRED TAXES

### A.1 Income Tax recognised in Statement of Profit and Loss

(₹ in Lakhs)

| Particulars                                                                      | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|----------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>(i) Current Tax:</b>                                                          |                                     |                                     |
| - in respect of current year                                                     | 194.12                              | 378.10                              |
| <b>Total (A)</b>                                                                 | <b>194.12</b>                       | <b>378.10</b>                       |
| <b>(ii) Deferred Tax:</b>                                                        |                                     |                                     |
| - in respect of current year                                                     | 128.53                              | 284.43                              |
| - in respect of previous year                                                    | -                                   | 0.96                                |
| <b>Total (B)</b>                                                                 | <b>128.53</b>                       | <b>285.39</b>                       |
| <b>Total income tax expense recognised in Statement of Profit and Loss (A+B)</b> | <b>322.65</b>                       | <b>663.49</b>                       |

### A.2 Income tax recognised in other Comprehensive income

(₹ in Lakhs)

| Particulars                                                                             | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|-----------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Deferred tax related to items recognised in other comprehensive income during the year: |                                     |                                     |
| - Remeasurement of defined benefit obligations & Others                                 | (25.11)                             | (16.91)                             |
| <b>Total</b>                                                                            | <b>(25.11)</b>                      | <b>(16.91)</b>                      |
| Classification of income tax recognised in other comprehensive income:                  |                                     |                                     |
| - Income taxes related to items that will not be reclassified to profit or loss         | (25.11)                             | (16.91)                             |
| <b>Total</b>                                                                            | <b>(25.11)</b>                      | <b>(16.91)</b>                      |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## A.3 Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate

(₹ in Lakhs)

| Particulars                                                                | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|----------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Profit before tax                                                          | (20.00)                             | (30.54)                             |
| Income Tax using the Company's domestic Tax rate                           | (5.82)                              | (8.89)                              |
| <b>Tax Effect of:</b>                                                      |                                     |                                     |
| - Effect of expenses that are non-deductible in determining taxable profit | 34.47                               | 38.55                               |
| - Changes in recognised temporary differences                              | -                                   | 311.22                              |
| - Effect of expenses that are non-deductible in determining taxable profit | 319.10                              | 248.86                              |
| - Others                                                                   | (25.10)                             | 73.75                               |
| <b>Income Tax expense recognised in Statement of Profit or Loss</b>        | <b>322.65</b>                       | <b>663.49</b>                       |

The tax rate used for the year ended March 31, 2026 and March 31, 2025 reconciliations above is the corporate tax rate of 29.12% payable by corporate entities in India on taxable profits under Indian Income Tax Laws. The above amount excludes tax expense/(reversal) relating to prior years.

## B.1 Movement in Deferred Tax Balances

(₹ in Lakhs)

| Particulars                                                                            | As at<br>March 31,<br>2025 | Recognised<br>in profit and<br>loss account | Recognised<br>in OCI | As at<br>March 31,<br>2026 |
|----------------------------------------------------------------------------------------|----------------------------|---------------------------------------------|----------------------|----------------------------|
| <b>Tax effect of items constituting (deferred tax liabilities)/deferred tax assets</b> |                            |                                             |                      |                            |
| Property, Plant and Equipment and Other Intangible Assets (Refer note D below)         | (3073.98)                  | 761.60                                      | -                    | (3,835.58)                 |
| Financial assets at amortised cost                                                     | 33.77                      | (9.39)                                      | -                    | 43.16                      |
| Employee Benefits                                                                      | 61.44                      | (6.47)                                      | -                    | 67.91                      |
| Provisions for Expenses, impairment and Doubtful trade receivables                     | 863.65                     | 7.36                                        | -                    | 856.29                     |
| Remeasurement of defined benefit obligations                                           | 63.16                      | (28.17)                                     | (25.11)              | 66.22                      |
| Carryforward of Tax Loss                                                               | 0.00                       | -                                           | -                    | -                          |
| Others                                                                                 | (0.83)                     | -                                           | -                    | (0.83)                     |
|                                                                                        | <b>(2,052.79)</b>          | <b>724.93</b>                               | <b>(25.11)</b>       | <b>(2,802.83)</b>          |
| Minimum Alternate Tax (MAT)                                                            | 4,351.28                   | 596.39                                      | -                    | 4,947.67                   |
| <b>Net Tax Asset/(Liabilities)</b>                                                     | <b>2,298.49</b>            | <b>128.54</b>                               | <b>(25.11)</b>       | <b>2,144.84</b>            |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## B.2 Movement in Deferred Tax Balances

(₹ in Lakhs)

| Particulars                                                                            | As at March 31, 2024 | Recognised in profit and loss account | Recognised in OCI | As at March 31, 2025 |
|----------------------------------------------------------------------------------------|----------------------|---------------------------------------|-------------------|----------------------|
| <b>Tax effect of items constituting (deferred tax liabilities)/deferred tax assets</b> |                      |                                       |                   |                      |
| Property, Plant and Equipment and Other Intangible Assets                              | (2609.43)            | 464.55                                | -                 | (3,073.98)           |
| Financial assets at amortised cost                                                     | 224.64               | 190.87                                | -                 | 33.77                |
| Employee Benefits                                                                      | 60.39                | (1.05)                                | -                 | 61.44                |
| Provisions for Expenses, impairment and Doubtful trade receivables                     | 893.08               | 29.43                                 | -                 | 863.65               |
| Remeasurement of defined benefit obligations                                           | 58.72                | (21.35)                               | (16.91)           | 63.16                |
| Carryforward of Tax Loss                                                               | -                    | -                                     | -                 | -                    |
| Others                                                                                 | (0.80)               | 0.03                                  | -                 | (0.83)               |
|                                                                                        | <b>(1,373.40)</b>    | <b>662.48</b>                         | <b>(16.91)</b>    | <b>(2,052.79)</b>    |
| Minimum Alternate Tax (MAT)                                                            | 3,974.19             | 377.09                                | -                 | 4,351.28             |
| <b>Net Tax Asset/(Liabilities)</b>                                                     | <b>2,600.79</b>      | <b>285.39</b>                         | <b>(16.91)</b>    | <b>2,298.49</b>      |

**C.** The Parent Company has carried out necessary adjustments to the deferred tax balances and MAT credit balances as at 31 March 2026 based on applicable tax laws. The Parent Company's Income tax payment for the year is based on MAT provisions u/s 115JB.

**D.** Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. The provision for taxation for the current year has been determined by the Management based on the tax position to be considered for tax filing and its assessment of the probability of acceptance of the same by the taxation authorities.

## 9. OTHER NON-CURRENT ASSETS

(₹ in Lakhs)

| Particulars                         | As at 31 March 2026 | As at 31 March 2025 |
|-------------------------------------|---------------------|---------------------|
| Capital Advances                    | 634.39              | 2,153.85            |
| Balance with Government Authorities | 4.14                | 3.98                |
| Prepaid Rent                        | 1.71                | 0.43                |
| <b>Total</b>                        | <b>640.24</b>       | <b>2,158.26</b>     |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## 10. INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

(₹ in Lakhs)

| Particulars                                                                                        | As at 31 March 2026 | As at 31 March 2025 |
|----------------------------------------------------------------------------------------------------|---------------------|---------------------|
| (a) Raw Materials (including Goods in Transit amounting to ₹ 80.19 Lakhs (PY - ₹ Nil))             | 827.32              | 539.54              |
| (b) Work in Progress                                                                               | 416.01              | 457.47              |
| (c) Finished Goods (other than those acquired for trading)                                         | 704.03              | 1,189.39            |
| (d) Fuel (including Goods in Transit amounting to ₹ Nil (PY - ₹ Nil))                              | 28.11               | 28.44               |
| (e) Stores and Spares (including Goods in Transit amounting to ₹ 26.07 Lakhs (PY - ₹ 44.97 Lakhs)) | 578.48              | 429.91              |
| (f) Traded Goods (including Goods in Transit amounting to ₹ Nil (PY - ₹ Nil))                      | 36.43               | 73.63               |
| <b>Total</b>                                                                                       | <b>2,590.38</b>     | <b>2,718.38</b>     |

### Notes:

|                                                                                                                     |           |           |
|---------------------------------------------------------------------------------------------------------------------|-----------|-----------|
| 1. The cost of inventories recognised as expense during the year                                                    | 11,159.00 | 11,135.02 |
| 2. The cost of inventories recognised as an expense in respect of write downs of inventory to net realisable value. | 62.03     | 58.04     |
| 3. The method of valuation of inventories has been stated in Note 1.7                                               |           |           |

## 11. OTHER INVESTMENTS-CURRENT

(₹ in Lakhs)

| Particulars                                                                                              | As at 31 March 2026 | As at 31 March 2025 |
|----------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>Investments carried at Fair Value through Profit &amp; Loss</b>                                       |                     |                     |
| <b>Investments in Mutual Funds (quoted)</b>                                                              |                     |                     |
| SBI Liquid Fund-Growth-13841.617 units of ₹ 4,306.1134 each (PY - 3630.441 units of ₹ 4,055.9471 each)   | 596.04              | 147.25              |
| LIC Liquid Fund-Growth-15,030.766 units of ₹ 5,001.4502 each (P.Y.31,397.295 units of ₹ 4,709.1846 each) | 751.76              | 1,478.56            |
| <b>Total</b>                                                                                             | <b>1,347.80</b>     | <b>1,625.81</b>     |
| <b>Aggregate Book value of Investment</b>                                                                | <b>1,347.80</b>     | <b>1,625.81</b>     |
| <b>Aggregate Market value of Investment</b>                                                              | <b>1,347.80</b>     | <b>1,625.81</b>     |

## 12. TRADE RECEIVABLES

(₹ in Lakhs)

| Particulars                                                                  | As at 31 March 2026 | As at 31 March 2025 |
|------------------------------------------------------------------------------|---------------------|---------------------|
| (a) Considered good, Secured (Refer Note 12.01)                              | 857.99              | 1,108.63            |
| (b) Considered good, Unsecured                                               | 1,549.66            | 968.32              |
| (c) Receivables which have significant increase in credit risk               | 92.93               | 132.96              |
|                                                                              | <b>2,500.58</b>     | <b>2,209.91</b>     |
| <b>Less: Provision for Expected Credit Loss (Refer Note 12.05 and 12.06)</b> | <b>(92.93)</b>      | <b>(132.96)</b>     |
| <b>Total</b>                                                                 | <b>2,407.65</b>     | <b>2,076.95</b>     |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## Notes:

**12.01** Secured Trade Receivables are secured by way of irrevocable Letter of Credits and Bank Guarantees.

**12.02** Trade Receivables includes receivables outstanding from customers constituting individually 5% or more of the total trade receivables as at 31 March 2026 of ₹ 1,224.36 lakhs (PY: ₹ 1,420.22 lakhs) out of which Pipes segment is ₹ 755.58 Lakhs (PY: ₹ 339.97 Lakhs) And Chemical segment is ₹ 468.79 Lakhs (PY: ₹ 1,080.25 Lakhs).

**12.03** The Parent Company has used a practical expedient by computing the expected loss allowance for trade receivables based on provision matrix. The provision matrix takes into account the historical credit loss experience and adjustments for forward looking information. Trade receivables are non-interest bearing and are generally on terms in range of – from advance payment to upto 90 days credit.

## 12.04 Trade Receivables ageing schedule – Outstanding for following periods from due date of payment

As at 31 March 2026

(₹ in Lakhs)

| Particulars                                                                        | Less than 6 months | 6 months – 1 year | 1–2 years    | 2–3 years | More than 3 years | Not Due         | Total           |
|------------------------------------------------------------------------------------|--------------------|-------------------|--------------|-----------|-------------------|-----------------|-----------------|
| (i) Undisputed Trade Receivables – considered good                                 | 344.01             | 13.49             | 6.29         | –         | 7.80              | 2,036.06        | 2,407.65        |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | 41.49              | 19.29             | 14.34        | –         | 17.81             | –               | 92.93           |
| (iii) Undisputed Trade Receivables – Credit Impaired                               | –                  | –                 | –            | –         | –                 | –               | –               |
| (iv) Disputed Trade Receivables – considered good                                  | –                  | –                 | –            | –         | –                 | –               | –               |
| (v) Disputed Trade Receivables – which have significant increase in credit risk    | –                  | –                 | –            | –         | –                 | –               | –               |
| (vi) Disputed Trade Receivables – Credit Impaired                                  | –                  | –                 | –            | –         | –                 | –               | –               |
|                                                                                    | <b>385.50</b>      | <b>32.78</b>      | <b>20.63</b> | <b>–</b>  | <b>25.61</b>      | <b>2,036.06</b> | <b>2,500.58</b> |
| <b>Less: Provision for Expected Credit Loss</b>                                    |                    |                   |              |           |                   |                 | (92.93)         |
| <b>Trade Receivables (Net)</b>                                                     |                    |                   |              |           |                   |                 | <b>2,407.65</b> |

As at 31 March 2025

(₹ in Lakhs)

| Particulars                                                                        | Less than 6 months | 6 months – 1 year | 1–2 years | 2–3 years | More than 3 years | Not Due  | Total    |
|------------------------------------------------------------------------------------|--------------------|-------------------|-----------|-----------|-------------------|----------|----------|
| (i) Undisputed Trade Receivables – considered good                                 | 344.44             | 4.18              | 16.16     | 8.15      | 5.20              | 1,698.82 | 2,076.95 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | 39.35              | 3.69              | 42.64     | 28.88     | 18.40             | –        | 132.96   |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## 12.04 Trade Receivables ageing schedule–Outstanding for following periods from due date of payment

As at 31 March 2025 (Contd.)

(₹ in Lakhs)

| Particulars                                                                     | Less than 6 months | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | Not Due  | Total           |
|---------------------------------------------------------------------------------|--------------------|------------------|-----------|-----------|-------------------|----------|-----------------|
| (iii) Undisputed Trade Receivables - Credit Impaired                            | -                  | -                | -         | -         | -                 | -        | -               |
| (iv) Disputed Trade Receivables - considered good                               | -                  | -                | -         | -         | -                 | -        | -               |
| (v) Disputed Trade Receivables - which have significant increase in credit risk | -                  | -                | -         | -         | -                 | -        | -               |
| (vi) Disputed Trade Receivables - Credit Impaired                               | -                  | -                | -         | -         | -                 | -        | -               |
|                                                                                 | 383.79             | 7.87             | 58.80     | 37.03     | 23.60             | 1,698.82 | 2,209.91        |
| <b>Less:</b> Provision for Expected Credit Loss                                 |                    |                  |           |           |                   |          | (132.96)        |
| <b>Trade Receivables (Net)</b>                                                  |                    |                  |           |           |                   |          | <b>2,076.95</b> |

## 12.05 The following table details the risk profile of trade receivables based on the provision matrix

31 March 2026

(₹ in Lakhs)

| Particulars                                      | Not Due  | Less than 6 months | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | Total    |
|--------------------------------------------------|----------|--------------------|------------------|-----------|-----------|-------------------|----------|
| Expected Credit Loss Rate                        | 0%       | 11%                | 59%              | 70%       | 0%        | 70%               | 4%       |
| Estimated total gross carrying amount at Default | 2,036.06 | 385.50             | 32.78            | 20.63     | -         | 25.61             | 2,500.58 |
| Lifetime Expected Credit Loss                    | -        | 41.49              | 19.29            | 14.34     | -         | 17.81             | 92.93    |

31 March 2025

(₹ in Lakhs)

| Particulars                                      | Not Due  | Less than 6 months | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | Total    |
|--------------------------------------------------|----------|--------------------|------------------|-----------|-----------|-------------------|----------|
| Expected Credit Loss Rate                        | 0%       | 11%                | 0%               | 78%       | 78%       | 78%               | 6%       |
| Estimated total gross carrying amount at Default | 1,727.98 | 350.30             | 16.32            | 54.68     | 37.03     | 23.60             | 2,209.91 |
| Lifetime Expected Credit Loss                    | -        | 39.35              | 3.69             | 42.64     | 28.88     | 18.40             | 132.96   |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## 12.06 Movement in Expected credit loss

(₹ in Lakhs)

| Particulars                                                     | Year Ended<br>31 March 2026 | Year Ended<br>31 March 2025 |
|-----------------------------------------------------------------|-----------------------------|-----------------------------|
| Balance at the beginning of the year                            | 132.96                      | 204.63                      |
| Movement in expected credit loss allowance on trade receivables | (40.03)                     | (71.67)                     |
| <b>Balance at the end of the year</b>                           | <b>92.93</b>                | <b>132.96</b>               |

## 13A CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

| Particulars                         | Year Ended<br>31 March 2026 | Year Ended<br>31 March 2025 |
|-------------------------------------|-----------------------------|-----------------------------|
| Balance with Banks-Current Accounts | 6.82                        | 469.10                      |
| Cash on hand                        | 1.64                        | 1.00                        |
| <b>Total</b>                        | <b>8.46</b>                 | <b>470.10</b>               |

## 13B BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

| Particulars                                                                                | Year Ended<br>31 March 2026 | Year Ended<br>31 March 2025 |
|--------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>In Earmarked accounts</b>                                                               |                             |                             |
| - Margin Money Accounts for bank guarantees and letters of credit (Refer note 13B.1 below) | 63.74                       | 2.26                        |
| - Unpaid Dividend Accounts (Refer Note 25 (i))                                             | 19.84                       | 20.21                       |
| <b>Total</b>                                                                               | <b>83.58</b>                | <b>22.47</b>                |

### Note:

**13B.1** ₹ 19.92 Lakhs (PY. 19.92 Lakhs) is placed as lein as per High court order dt 19/02/2025 with respect to writ petition no 2545 of 2025 vs Labour Secretary, Government of Puducherry towards revision of minimum wages for Pondicherry plant. Also refer note 6.1 above.)

## 14. OTHER FINANCIAL ASSETS – CURRENT

(₹ in Lakhs)

| Particulars                         | Year Ended<br>31 March 2026 | Year Ended<br>31 March 2025 |
|-------------------------------------|-----------------------------|-----------------------------|
| <b>(Unsecured, considered good)</b> |                             |                             |
| Deposits                            | 21.57                       | 17.59                       |
| Advance to employees                | 2.68                        | 34.76                       |
| Interest accrued on Deposits        | 6.00                        | 3.52                        |
| <b>Total</b>                        | <b>30.25</b>                | <b>55.87</b>                |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## 15. OTHER CURRENT ASSETS

(₹ in Lakhs)

| Particulars                         | Year Ended<br>31 March 2026 | Year Ended<br>31 March 2025 |
|-------------------------------------|-----------------------------|-----------------------------|
| <b>(Unsecured, considered good)</b> |                             |                             |
| Advances to Vendors                 | 125.52                      | 171.01                      |
| Balance with Government Authorities | 2,394.28                    | 2,355.04                    |
| Prepaid expenses                    | 60.20                       | 120.90                      |
| <b>Total</b>                        | <b>2,580.00</b>             | <b>2,646.95</b>             |

## 16. ASSET HELD FOR SALE

(₹ in Lakhs)

| Particulars                                            | Year Ended<br>31 March 2026 | Year Ended<br>31 March 2025 |
|--------------------------------------------------------|-----------------------------|-----------------------------|
| <b>(Also refer accounting policy in note 1.28)</b>     |                             |                             |
| Plant and Equipment (Refer note (i) below)             | 1,843.44                    | 1,804.47                    |
| Land, Building and Electricals (Refer note (ii) below) | 515.70                      | 515.70                      |
| Land-Salt Division 2 (Refer note (iii) below)          | 1,311.82                    | -                           |
| <b>Total</b>                                           | <b>3,670.96</b>             | <b>2,320.17</b>             |

**Note (i):** The Subsidiary Company - Chemfab Karaiikal Limited is active on sale of the assets.

**Note (ii):** The Parent Company is active on the sale of the remaining assets (land, building and other assets).

**Note (iii):** Asset held for sale includes Salt division 2 land of book value of ₹ 1311.82 Lakhs. The Parent Company had entered into an agreement for the sale of the above-mentioned land on 05 May 2025 and an advance of ₹ 1,337.20 Lakhs has been received. The sale is subject to registration of the land.

**Note (iv):** The Parent Company has assessed and concluded that no further adjustments are required to the carrying value of assets held for sale.

## 17. SHARE CAPITAL

(₹ in Lakhs)

| Particulars                                               | As at 31 March 2026 |                      | As at 31 March 2025 |                      |
|-----------------------------------------------------------|---------------------|----------------------|---------------------|----------------------|
|                                                           | Number of<br>shares | Amount<br>₹ In lakhs | Number of<br>shares | Amount<br>₹ In lakhs |
| <b>(a) Authorised Share Capital</b>                       |                     |                      |                     |                      |
| Equity shares of ₹ 10 each (with voting rights)           | 2,85,00,000         | 2,850.00             | 2,85,00,000         | 2,850.00             |
| 11% Redeemable Cumulative Preference shares of ₹ 100 each | 2,64,000            | 264.00               | 2,64,000            | 264.00               |
| 12% Redeemable Cumulative Preference shares of ₹ 100 each | 8,00,000            | 800.00               | 8,00,000            | 800.00               |
|                                                           |                     | <b>3,914.00</b>      |                     | <b>3,914.00</b>      |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## 17. SHARE CAPITAL (Contd.)

(₹ in Lakhs)

| Particulars                                                        | As at 31 March 2026 |                   | As at 31 March 2025 |                   |
|--------------------------------------------------------------------|---------------------|-------------------|---------------------|-------------------|
|                                                                    | Number of shares    | Amount ₹ In lakhs | Number of shares    | Amount ₹ In lakhs |
| <b>(b) Issued, Subscribed and Paid up [refer (a) to (e) below]</b> |                     |                   |                     |                   |
| Equity shares of ₹ 10 each (with voting rights) fully paid up      | 1,43,73,702         | 1,437.37          | 1,43,63,702         | 1,436.37          |
| <b>Total</b>                                                       |                     | <b>1,437.37</b>   |                     | <b>1,436.37</b>   |

### (a) Reconciliation of the number of equity shares issued and amount outstanding at the beginning and at the end of the reporting year:

(₹ in Lakhs)

| Particulars                                                                 | Equity Share Capital |                   |                     |                   |
|-----------------------------------------------------------------------------|----------------------|-------------------|---------------------|-------------------|
|                                                                             | As at 31 March 2026  |                   | As at 31 March 2025 |                   |
|                                                                             | Number of shares     | Amount ₹ In lakhs | Number of shares    | Amount ₹ In lakhs |
| <b>Issued, Subscribed and Paid up equity shares</b>                         |                      |                   |                     |                   |
| Shares and Share Capital outstanding at the beginning of the year           | 1,43,63,702          | 1,436.37          | 1,42,26,602         | 1,422.66          |
| <b>Add:</b> Shares and Share Capital issued during the year (Refer Note 45) | 10,000               | 1.00              | 1,37,100            | 13.71             |
| Shares and Share Capital outstanding at the end of the year                 | 1,43,73,702          | 1,437.37          | 1,43,63,702         | 1,436.37          |

### (b) Rights, preferences and restrictions attached to the equity shareholders

The Parent Company has one class of equity shares having par value of ₹ 10 per share. Each shareholder is eligible for one vote per equity share held. The Parent Company declares and pays dividend in Indian Rupees. The dividend proposed by Board of directors is subject to the approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Parent Company, the equity shareholders are eligible to receive the remaining assets of the Parent Company after distribution of all preferential amounts, in proportion to their shareholding.

### (c) The details of equity shareholders holding more than 5 % of the aggregate equity Shares:

| Particulars                      | Equity Share Capital |        |                     |        |
|----------------------------------|----------------------|--------|---------------------|--------|
|                                  | As at 31 March 2026  |        | As at 31 March 2025 |        |
|                                  | Number of shares     | % held | Number of shares    | % held |
| Dr. Rao Holdings Pte Ltd         | 67,61,068            | 47.04% | 67,61,068           | 47.07% |
| Team Hiitec Eqpt Private Limited | 10,72,182            | 7.46%  | 10,72,182           | 7.46%  |
| Shrimati K.M. Padma              | 11,10,712            | 7.73%  | 11,10,712           | 7.73%  |
| Shri Suresh Krishnamurthi Rao    | 14,24,423            | 9.91%  | 14,24,423           | 9.92%  |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

**(d) Number of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash:**

NA

**(e)** Refer Note 45 for details regarding employee stock option scheme.

**(f) Shares held by Promoter at the end of the year:**

| Promoter Name                    | No. of shares |               | % of total shares |               | % Change during the Year |
|----------------------------------|---------------|---------------|-------------------|---------------|--------------------------|
|                                  | Current year  | Previous year | Current year      | Previous year |                          |
| Suresh Krishnamurthi Rao         | 14,24,423     | 14,24,423     | 9.91%             | 9.92%         | (0.01%)                  |
| Padma K.M.                       | 11,10,712     | 11,10,712     | 7.73%             | 7.73%         | 0.00%                    |
| Team Hiitec Eqpt Private Limited | 10,72,182     | 10,72,182     | 7.46%             | 7.46%         | 0.00%                    |
| Dr. Rao Holdings Pte Ltd         | 67,61,068     | 67,61,068     | 47.04%            | 47.07%        | (0.03%)                  |

**(g)** Pursuant to section 126(2) of the Companies Act 2013, the Parent Company had transferred Nil (PY Nil) number of Equity Shares to Investor Education and Protection Fund during the year ended 31 March 2026.

## 18. OTHER EQUITY

(₹ in Lakhs)

| Particulars                                                                         | As at 31 March 2026 | As at 31 March 2025 |
|-------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>(a) Share Application Money Pending Allotment (Refer Note 1 below)</b>           |                     |                     |
| Opening Balance                                                                     | -                   | 41.09               |
| Share Application Money Received                                                    | 9.78                | 95.29               |
| <b>Less:</b> Shares Allotted during the year                                        | (9.78)              | (136.38)            |
| <b>Closing balance</b>                                                              | <b>-</b>            | <b>-</b>            |
| <b>(b) Capital Reserve (Refer Note 2 below)</b>                                     | <b>15.67</b>        | <b>15.67</b>        |
| <b>(c) Capital Redemption Reserve (Refer Note 3 below)</b>                          |                     |                     |
| Opening Balance                                                                     | 960.00              | 960.00              |
| <b>Add:</b> On account of Redemption of Preference Shares                           | -                   | -                   |
| <b>Closing balance</b>                                                              | <b>960.00</b>       | <b>960.00</b>       |
| <b>(d) Securities Premium Reserve (Refer Note 4 below)</b>                          |                     |                     |
| Opening Balance                                                                     | 35,230.07           | 34,995.61           |
| <b>Add:</b> Securities Premium on issue of Equity Shares                            | 17.27               | 234.46              |
| <b>Closing balance</b>                                                              | <b>35,247.34</b>    | <b>35,230.07</b>    |
| <b>(e) Share Based Payment Reserve (Refer Note 5 below)</b>                         |                     |                     |
| Opening Balance                                                                     | 28.32               | 129.02              |
| <b>Add:</b> Employee compensation expense for the year                              | (4.78)              | 11.16               |
| <b>Less:</b> Transfer to Securities Premium for the shares allotted during the year | (8.49)              | (111.86)            |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## 18. OTHER EQUITY (Contd.)

(₹ in Lakhs)

| Particulars                                                                                                    | As at 31 March 2026 | As at 31 March 2025 |
|----------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>Less:</b> ESOP Options lapsed                                                                               | (15.05)             | -                   |
| <b>Closing balance</b>                                                                                         | <b>-</b>            | <b>28.32</b>        |
| <b>(f) Retained Earnings (Refer Note 6 below)</b>                                                              |                     |                     |
| Opening Balance                                                                                                | 319.18              | 1,150.48            |
| <b>Add:</b> Profit/(Loss) for the year                                                                         | (342.65)            | (694.03)            |
| <b>Add:</b> ESOP option lapsed                                                                                 | 15.05               |                     |
| <b>Add:</b> Other Comprehensive income for the year (Remeasurement of the defined benefit plans, net of taxes) | 61.10               | 41.18               |
|                                                                                                                | <b>52.68</b>        | <b>497.64</b>       |
| <b>Less:</b> Appropriations                                                                                    |                     |                     |
| - Dividend on Equity Shares (Refer Note 8 below)                                                               | (179.55)            | (178.46)            |
| <b>Closing Balance</b>                                                                                         | <b>(126.87)</b>     | <b>319.18</b>       |
| <b>(g) Other Comprehensive Income (Refer Note 7 below)</b>                                                     |                     |                     |
| Opening Balance                                                                                                | 9.21                | 11.96               |
| <b>Add/(Less):</b> Current Year                                                                                | (2.02)              | (2.75)              |
| <b>Closing Balance</b>                                                                                         | <b>7.19</b>         | <b>9.21</b>         |
| <b>Total</b>                                                                                                   | <b>36,103.32</b>    | <b>36,562.44</b>    |

### Notes

- This represents Share Application Money received from employees under the ESOP scheme titled "CAESOS 2020" [Chemfab Alkalys Employees Stock Option Scheme 2020]. Also Refer Note 45.
- Capital reserve represents reserve recognised on amalgamation being the difference between consideration amount and net assets of the transferor company and profit on reissue of shares.
- Capital redemption reserve has been created pursuant to Section 55 of the Companies Act, 2013 on account of redemption of preference shares out of the profits of the Parent Company.
- Securities premium reserve represents amount of premium recognised on issue of shares to shareholders at a price more than its face value. The reserve can be utilised only for limited purposes in accordance with the provisions of section 52 of the Companies Act, 2013.
- Shares based payment reserve relates to the share options granted by the Parent company to its employees under its share option plan. Refer Note 45 for further details.
- Retained earnings refer to net earnings not paid out as dividends, but retained by the Parent company to be reinvested in its core business. This amount is available for distribution of dividends to its equity shareholders.
- Other comprehensive income represents the cumulative gain and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of taxes.
- Dividend is paid at ₹ 1.25 per share for 1,43,63,702 shares held on record date 05.09.2025 (PY. At 1.25 per share for 1,42,76,602 shares held on record date 13.09.2024).

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## 19. BORROWINGS

(₹ in Lakhs)

| Particulars                                                                             | As at 31 March 2026 | As at 31 March 2025 |
|-----------------------------------------------------------------------------------------|---------------------|---------------------|
| (i) Secured - at amortised cost                                                         |                     |                     |
| - Term Loan from Bank (Refer Note (i), (ii), (iii) and (iv) below)                      | 7,043.00            | 6,379.50            |
| (ii) Loans from Related Parties (unsecured) (Refer note (v) below) (Also refer note 39) | 1,100.00            | -                   |
| <b>Total</b>                                                                            | <b>8,143.00</b>     | <b>6,379.50</b>     |

### Note:

#### Details in respect of Borrowings are as under:

- (i) Term Loan carrying an interest rate of 7.11% p.a average during the year was availed from HDFC Bank Limited and Axis Bank Limited. The borrowings are secured by way of Equitable Mortgage over.
  - (a) leasehold land (taken under 99 years lease by the Company) comprising of 5 acres located in Domestic Tarrif Zone (DTZ) situated in Irugulam Village, Satyavedu Mandal, Chittoor District, Andhra Pradesh - Exclusive Charge for term loan of ₹ 3,150 Lakhs and ₹ 3,780 Lakhs from HDFC bank.
  - (b) fixed assets (Building, Plant and Machineries), created out of the term loan of ₹ 1,800 lakhs from HDFC bank out of which ₹ 1,308 Lakhs is outstanding - Exclusive Charge.
  - (c) fixed assets (Plant and Machineries/civil structures), created out of the term loan of ₹ 3,150 lakhs from HDFC bank out of which ₹ 2,047.50 Lakhs is outstanding - Exclusive Charge.
  - (d) fixed assets (Plant and Machineries/civil structures), created out of the term loan of ₹ 3,780 lakhs from HDFC bank out of which ₹ 3,024 Lakhs is outstanding - Exclusive Charge.
  - (e) fixed assets (Plant and Machineries/civil structures), created out of the term loan of ₹ 2,550 lakhs from Axis Bank out of which ₹ 2,550 Lakhs is outstanding - Exclusive Charge.

Out of the above term loans, ₹ 1,886.50 lakhs (PY. ₹ 1,674 lakhs) have been classified as current maturities of long-term debt (secured) under Borrowings - Current. (Refer note 23).

### (ii) Repayment Summary

#### Term Loan outstanding of ₹ 1,308 lakhs as at 31 March 2026:

Repayable in 53 monthly instalments of ₹ 24 lakhs each and 1 monthly instalment of ₹ 36 lakhs respectively. Repayment of this tranche of term loan began from October 2023.

#### Term Loan outstanding of ₹ 2,047.50 lakhs as at 31 March 2026:

Repayable in 13 quarterly instalments of ₹ 157.50 lakhs each. This loan was availed in part tranches whose repayment of first availed tranche began from Sept 2024.

#### Term Loan outstanding of ₹ 3,024 lakhs as at 31 March 2026:

Repayable in 48 monthly instalments of ₹ 63 lakhs each. Repayment of this tranche of term loan began from April 2025.

#### Term Loan outstanding of ₹ 2,550 lakhs as at 31 March 2026:

Repayable in 60 monthly instalments of ₹ 42.50 lakhs each. Repayment of this tranche of term loan will begin from Nov 2026.

There were no delays in repayments made by the Parent Company towards the borrowings from banks during the current year and previous year.

- (iii) quarterly returns or statements of current assets filed by the Parent Company with banks or financial institutions are in agreement with the books of accounts. (Also Refer note 50(v))
- (iv) With respect to the term loan from Axis Bank of ₹ 2550 Lakhs, there was a breach of a financial covenant relating to current ratio (which is one of the 3 ratios stipulated) as at the end of the reporting year. As per the terms of the sanction

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

vide letter dated 15 July 2025, the current ratio was to be  $\geq 1.20$ , whereas the current ratio as at the end of the reporting year is 0.73. As per the requirements of IND AS 1, the lender has agreed after the reporting date but before the approval of the financial statements that the above-mentioned breach will not be considered as an event of default, and consequently, based on the terms of the loan agreement dated 07 October 2025, the loan will not be treated as payable on demand.

- (v) Unsecured loan from related party is repayable from June 2027 onwards in tranches on mutually agreed basis.

## 20. OTHER FINANCIAL LIABILITIES – NON CURRENT

(₹ in Lakhs)

| Particulars                      | As at 31 March 2026 | As at 31 March 2025 |
|----------------------------------|---------------------|---------------------|
| Trade/security deposits received | 60.98               | 54.97               |
| <b>Total</b>                     | <b>60.98</b>        | <b>54.97</b>        |

## 21. PROVISIONS – NON CURRENT

(₹ in Lakhs)

| Particulars                            | As at 31 March 2026 | As at 31 March 2025 |
|----------------------------------------|---------------------|---------------------|
| Provision for Gratuity (Refer Note 41) | 130.96              | 125.90              |
| Provision for compensated absences     | 175.74              | 142.12              |
| <b>Total</b>                           | <b>306.70</b>       | <b>268.02</b>       |

## 22. OTHER NON – CURRENT LIABILITIES

(₹ in Lakhs)

| Particulars            | As at 31 March 2026 | As at 31 March 2025 |
|------------------------|---------------------|---------------------|
| Advance from Customers | 46.25               | 120.00              |
| <b>Total</b>           | <b>46.25</b>        | <b>120.00</b>       |

## 23. BORROWINGS – CURRENT

(₹ in Lakhs)

| Particulars                                       | As at 31 March 2026 | As at 31 March 2025 |
|---------------------------------------------------|---------------------|---------------------|
| <b>From Banks</b>                                 |                     |                     |
| - Cash Credit – Secured (Note (i) and (ii) below) | 257.51              | 200.00              |
| - Cash Credit – Unsecured (Note (ii) below)       | 1,000.00            | -                   |
| - Current maturities of long-term debt            | 1,886.50            | 1,674.00            |
| - Loans repayable on demand                       | 800.00              | -                   |
| - Bills discounted with banks (unsecured)         | 208.99              | -                   |
| <b>Total</b>                                      | <b>4,153.00</b>     | <b>1,874.00</b>     |

### Note:

Details in respect of Current Borrowings are as under:

- (i) Cash Credit facilities are secured by way of first charge over the entire current assets of the Company and mortgage over land and building comprising of 9.70 acres belonging to the company situated at East Coast road, Gnanananda Place, Kalapet, Pondicherry. The cash credits are repayable on demand.

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

- (ii) The Fund Based Cash Credit facilities and Non fund based facilities are sanctioned by HDFC Bank upto ₹ 2,500 Lakhs (PY ₹ 2,500 Lakhs). by Axis Bank upto ₹ 4,500 Lakhs (PY ₹ 2,500 Lakhs) and Shinhan bank upto ₹ 1,000 Lakhs (PY ₹ 1,000 Lakhs).
- (iii) Quarterly returns or statements of current assets filed by the Parent Company with banks or financial institutions are in agreement with the books of accounts.
- (iv) Also refer note 19.

## 24. TRADE PAYABLES – CURRENT (REFER NOTE 39)

(₹ in Lakhs)

| Particulars                                                                            | As at 31 March 2026 | As at 31 March 2025 |
|----------------------------------------------------------------------------------------|---------------------|---------------------|
| Total Outstanding dues of micro enterprises and small enterprises                      | 62.83               | 81.00               |
| Total Outstanding dues of creditors other than micro enterprises and small enterprises | 3,064.39            | 3,143.94            |
| <b>Total</b>                                                                           | <b>3,127.22</b>     | <b>3,224.94</b>     |

Trade payables are non-interest bearing and are normally settled on upto 90 days terms as per terms of the contract.

### The age of the Trade Payables is as under:

As at 31 March 2026

(₹ in Lakhs)

| Particulars                 | Outstanding for the following periods from the due date of payment |              |              |                   |               |                 |
|-----------------------------|--------------------------------------------------------------------|--------------|--------------|-------------------|---------------|-----------------|
|                             | Less than 1 year                                                   | 1-2 years    | 2-3 years    | More than 3 years | Not Due       | Total           |
| (i) MSME                    | 31.27                                                              | -            | -            | -                 | 31.56         | 62.83           |
| (ii) Others                 | 2,657.73                                                           | 68.73        | 11.66        | 24.25             | 302.02        | 3,064.39        |
| (iii) Disputed dues - MSME  | -                                                                  | -            | -            | -                 | -             | -               |
| (iv) Disputed dues - Others | -                                                                  | -            | -            | -                 | -             | -               |
|                             | <b>2,689.00</b>                                                    | <b>68.73</b> | <b>11.66</b> | <b>24.25</b>      | <b>333.58</b> | <b>3,127.22</b> |

The above is including unbilled dues of ₹ 2,137.56 Lakhs.

### The age of the Trade Payables is as under:

As at 31 March 2025

(₹ in Lakhs)

| Particulars | Outstanding for the following periods from the due date of payment |           |           |                   |         |          |
|-------------|--------------------------------------------------------------------|-----------|-----------|-------------------|---------|----------|
|             | Less than 1 year                                                   | 1-2 years | 2-3 years | More than 3 years | Not Due | Total    |
| (i) MSME    | 17.80                                                              | -         | -         | -                 | 63.20   | 81.00    |
| (ii) Others | 2,831.50                                                           | 10.72     | 17.91     | 7.68              | 276.13  | 3,143.94 |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

The age of the Trade Payables is as under: (Contd.)

(₹ in Lakhs)

| Particulars                 | Outstanding for the following periods from the due date of payment |              |              |                   |               | Total           |
|-----------------------------|--------------------------------------------------------------------|--------------|--------------|-------------------|---------------|-----------------|
|                             | Less than 1 year                                                   | 1-2 years    | 2-3 years    | More than 3 years | Not Due       |                 |
| (iii) Disputed dues - MSME  | -                                                                  | -            | -            | -                 | -             | -               |
| (iv) Disputed dues - Others | -                                                                  | -            | -            | -                 | -             | -               |
|                             | <b>2,849.30</b>                                                    | <b>10.72</b> | <b>17.91</b> | <b>7.68</b>       | <b>339.33</b> | <b>3,224.94</b> |

The above is including unbilled dues of ₹ 2,172.69 Lakhs.

## 25. OTHER FINANCIAL LIABILITIES - CURRENT

(₹ in Lakhs)

| Particulars                                                                                  | As at 31 March 2026 | As at 31 March 2025 |
|----------------------------------------------------------------------------------------------|---------------------|---------------------|
| Creditors for Capital Goods                                                                  | 1,456.64            | 356.61              |
| Unpaid Dividends (Refer Note (i) below)                                                      | 19.84               | 20.21               |
| Interest accrued but not due                                                                 | 45.72               | 47.84               |
| <b>Total</b>                                                                                 | <b>1,522.20</b>     | <b>424.66</b>       |
| <b>Note:</b>                                                                                 |                     |                     |
| (i) Amounts remitted to Investor Education and Protection Fund during the year               | 2.99                | -                   |
| (i) Amounts pending to be remitted to Investor Education and Protection Fund during the year | 2.87                | 2.99                |

## 26. PROVISIONS - CURRENT

(₹ in Lakhs)

| Particulars                                                                                    | As at 31 March 2026 | As at 31 March 2025 |
|------------------------------------------------------------------------------------------------|---------------------|---------------------|
| Provision for compensated absences                                                             | 37.87               | 44.20               |
| Provision for Warranty (Refer Note 1.21 and Note below)                                        | 32.05               | 25.70               |
| Provision for Gratuity (Refer Note 41)                                                         | 96.45               | 91.00               |
| <b>Total</b>                                                                                   | <b>166.37</b>       | <b>160.90</b>       |
| <b>Note:</b>                                                                                   |                     |                     |
| <b>The Parent Company carries a provision for warranty, the details of which are as under:</b> |                     |                     |
| <b>Opening Balance</b>                                                                         | <b>25.70</b>        | <b>46.72</b>        |
| Provision made during the year                                                                 | 6.35                | -                   |
| Provision reversed during the year                                                             | -                   | (21.02)             |
| Amounts Utilised/Paid during the year                                                          | -                   | -                   |
| <b>Closing Balance</b>                                                                         | <b>32.05</b>        | <b>25.70</b>        |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## 27. CURRENT TAX LIABILITIES (NET)

(₹ in Lakhs)

| Particulars                                                                                                     | As at 31 March 2026 | As at 31 March 2025 |
|-----------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| Provision for Tax (Net of Income Tax paid/TDS of ₹ 3,072.72 lakhs)<br>(As at 31 March 2025 of ₹ 3,075.18 lakhs) | 123.12              | 133.73              |
| <b>Total</b>                                                                                                    | <b>123.12</b>       | <b>133.73</b>       |

## 28. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

| Particulars                                                         | As at 31 March 2026 | As at 31 March 2025 |
|---------------------------------------------------------------------|---------------------|---------------------|
| Statutory liabilities                                               | 521.62              | 450.75              |
| Advance received for Assets held for sale (Also refer note 16(iii)) | 1,337.20            | -                   |
| Advance from Customers                                              | 345.03              | 911.41              |
| Others                                                              | 0.50                | -                   |
| <b>Total</b>                                                        | <b>2,204.35</b>     | <b>1,362.16</b>     |

## 29. REVENUE FROM OPERATIONS

(₹ in Lakhs)

| Particulars                            | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|----------------------------------------|-------------------------------------|-------------------------------------|
| a Sales of Products (Refer Note below) | 31,083.66                           | 33,413.72                           |
| b Other operating revenues             |                                     |                                     |
| - Testing charges                      | 18.61                               | 23.71                               |
| <b>Total</b>                           | <b>31,102.27</b>                    | <b>33,437.43</b>                    |

### Note:

Revenue for sale of products is net of rebates/incentives/discounts for the year ended 31 March 2026 amounting to ₹ 426.05 Lakhs (previous year ₹ 194.70 Lakhs).

### 29.1 Disaggregation of the revenue Information

The table below presents disaggregated revenues from contracts with customers by geography, offerings and contract-type for each of our business segments.

As per the management, the below disaggregation best depicts the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

(₹ in Lakhs)

| Particulars                                        | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|----------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Revenue by Geography</b>                        |                                     |                                     |
| India                                              | 31,086.49                           | 33,341.35                           |
| Outside India                                      | 15.78                               | 96.08                               |
| <b>Total revenue from contracts with customers</b> | <b>31,102.27</b>                    | <b>33,437.43</b>                    |
| <b>Revenue by offerings</b>                        |                                     |                                     |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## 29.1 Disaggregation of the revenue Information (Contd.)

(₹ in Lakhs)

| Particulars                                        | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|----------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Manufactured goods</b>                          |                                     |                                     |
| <b>Chemicals &amp; Related Products/Services</b>   |                                     |                                     |
| - Caustic Soda Lye                                 | 15,139.54                           | 15,187.13                           |
| - Caustic Soda Flakes                              | 2,140.41                            | 1,812.15                            |
| - Chlorine                                         | (130.81)                            | 85.81                               |
| - Hydrogen                                         | 1,005.47                            | 982.40                              |
| - Aluminium Chloride                               | 2,359.55                            | 1,174.17                            |
| - Others                                           | 1,097.34                            | 1,027.01                            |
| <b>PVCO-Pipes</b>                                  |                                     |                                     |
| - PVC-O Pipes                                      | 8,796.99                            | 11,996.22                           |
| - Others                                           | 329.60                              | 208.29                              |
| <b>Traded Goods</b>                                |                                     |                                     |
| <b>Chemicals &amp; Related Products/Services</b>   |                                     |                                     |
| - Caustic Soda Lye                                 | -                                   | -                                   |
| - Others                                           | 184.39                              | -                                   |
| <b>PVCO-Pipes</b>                                  |                                     |                                     |
| - PVC-O Pipes                                      | -                                   | 940.54                              |
| - Resin                                            | 158.99                              | -                                   |
| - Others                                           | 2.19                                | -                                   |
| <b>Other Operating Income</b>                      |                                     |                                     |
| <b>Chemicals &amp; Related Products/Services</b>   |                                     |                                     |
| - Testing Charges                                  | 18.61                               | 23.71                               |
| <b>Total revenue from contracts with customers</b> | <b>31,102.27</b>                    | <b>33,437.43</b>                    |
| <b>Timing of recognition</b>                       |                                     |                                     |
| Goods & Services transferred at a point in time    | 31,102.27                           | 33,437.43                           |
| <b>Total revenue from contracts with customers</b> | <b>31,102.27</b>                    | <b>33,437.43</b>                    |

## 29.2 Trade Receivables and Contract Balances

The Group classifies the right to consideration in exchange for deliverables as receivable. A receivable is a right to consideration that is unconditional upon passage of time. Revenue is recognized as and when the related goods are delivered to the customer. Trade receivable are presented net of impairment in the Balance Sheet.

Contract liabilities include payments received in advance of performance under the contract, and are realized with the associated revenue recognized under the contract.

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## 29.3 Transaction price allocated to the remaining performance obligations

(₹ in Lakhs)

| Particulars                     | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|---------------------------------|-------------------------------------|-------------------------------------|
| <b>Contract Balances</b>        |                                     |                                     |
| Gross Trade Receivables         | 2,500.58                            | 2,209.91                            |
| Advance received from customers | 391.28                              | 1,031.41                            |

The Group has applied practical expedient and has not disclosed information about remaining performance obligations in contracts where the original contract duration is one year or less or where the entity has the right to consideration that corresponds directly with the value of entity's performance completed to date.

## 29.4 Information about major customers

The Group is a manufacturer of caustic soda lye, flakes, liquid chlorine, hydrogen gas, pvco pipes, aluminium chloride and other products.

Revenues arising from direct sales above includes revenues of approximately ₹ 4,592.40 lakhs (PY ₹ 7,339.73 lakhs) which arose from sales to the Parent company's single and second large customer in Chemical segment and ₹ Nil in PVCO segment. (Previous Year ₹ 1,471.98 Lakhs). No other single customers contributed 10% or more to the parent Company's revenue during the current year.

## 30. OTHER INCOME

(₹ in Lakhs)

| Particulars                                                                           | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|---------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| (a) Interest Income:                                                                  |                                     |                                     |
| - Interest on fixed deposits with banks                                               | 3.70                                | 13.53                               |
| - Interest income on Income Tax refund                                                | 14.98                               | -                                   |
| - Other Interest income                                                               | 26.15                               | 28.55                               |
| (b) Dividend income                                                                   | 0.08                                | -                                   |
| (c) Other Non Operating Income:                                                       |                                     |                                     |
| - Other Financial Assets (at Fair Value through Profit & Loss) (Refer note (i) below) | 23.59                               | 20.84                               |
| - Profit on Sale of Property, Plant & Equipment (Net)                                 | 274.71                              | 62.80                               |
| - Liabilities no longer required written back                                         | 97.76                               | 163.69                              |
| - Electricity Subsidy Receipt                                                         | 36.34                               | -                                   |
| - Miscellaneous Income                                                                | 81.43                               | 100.35                              |
| - Provision for Expected credit Loss on Trade Receivables                             | 40.03                               | 71.35                               |
| - Exchange variation (Net)                                                            | 270.03                              | 250.68                              |
| <b>Total</b>                                                                          | <b>868.80</b>                       | <b>711.79</b>                       |

### Note:

(i) The amount represents a net gain on investments in Mutual Funds (Refer Note "&Asset Sch Final!B131&") comprising of an net change in fair value of ₹ (2.55) Lakhs net of reversals on account of realised gain on redemptions (PY ₹ 5.48 Lakhs) and gain on redemption of investments of ₹ 26.14 Lakhs received during the year (PY ₹ 15.36 Lakhs).

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## 31A COST OF MATERIALS CONSUMED

(₹ in Lakhs)

| Particulars                             | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|-----------------------------------------|-------------------------------------|-------------------------------------|
| Opening Stock                           | 539.54                              | 517.54                              |
| <b>Add:</b> Purchases                   | 9,789.67                            | 10,628.87                           |
|                                         | <b>10,329.21</b>                    | <b>11,146.41</b>                    |
| <b>Less:</b> Sale of Raw Materials      | -                                   | 394.83                              |
| <b>Less:</b> Closing Stock              | 827.32                              | 539.54                              |
| Cost of Materials consumed              | 9,501.89                            | 10,212.04                           |
| <b>Materials Consumed Comprises of:</b> |                                     |                                     |
| Salt                                    | 2,951.42                            | 2,718.85                            |
| PVC Resin                               | 3,231.80                            | 4,853.62                            |
| Aluminium                               | 2,300.20                            | 1,718.49                            |
| Others (Refer Note (i) below)           | 1,018.47                            | 921.08                              |
| <b>Total</b>                            | <b>9,501.89</b>                     | <b>10,212.04</b>                    |

### Note:

(i) Others include raw materials none of which individually accounts for more than 10 % of the total consumption.

## 31B PURCHASE OF STOCK IN TRADE

(₹ in Lakhs)

| Particulars  | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|--------------|-------------------------------------|-------------------------------------|
| - PVCO-Pipes | -                                   | 711.18                              |
| - PVC Resin  | 113.04                              | -                                   |
| - Others     | 155.36                              | 24.05                               |
|              | <b>268.40</b>                       | <b>735.23</b>                       |

## 32. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

(₹ in Lakhs)

| Particulars                    | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|--------------------------------|-------------------------------------|-------------------------------------|
| <b>Opening Stock</b>           |                                     |                                     |
| Finished goods                 | 1,189.39                            | 480.15                              |
| Work-in-Progress               | 457.47                              | 184.70                              |
|                                | <b>1,646.86</b>                     | <b>664.85</b>                       |
| <b>Closing Stock</b>           |                                     |                                     |
| Finished goods                 | 704.03                              | 1,189.39                            |
| Work-in-Progress               | 416.01                              | 457.47                              |
|                                | <b>1,120.04</b>                     | <b>1,646.86</b>                     |
| <b>Net (Increase)/decrease</b> | <b>526.82</b>                       | <b>(982.01)</b>                     |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## 33. OTHER DIRECT MANUFACTURING EXPENSES

(₹ in Lakhs)

| Particulars    | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|----------------|-------------------------------------|-------------------------------------|
| Power and Fuel | 10,590.15                           | 11,298.37                           |
| Labour Charges | 640.40                              | 581.86                              |
| <b>Total</b>   | <b>11,230.55</b>                    | <b>11,880.23</b>                    |

## 34. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

| Particulars                                                  | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|--------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Salaries and Wages                                           | 2,154.05                            | 2,090.63                            |
| Contribution to Provident and other Funds (Refer Note 41)    | 313.34                              | 305.67                              |
| Expense on employee stock based compensation (Refer Note 45) | -                                   | 11.16                               |
| Staff Welfare Expenses                                       | 164.78                              | 143.06                              |
| <b>Total</b>                                                 | <b>2,632.17</b>                     | <b>2,550.52</b>                     |

**Note:** The Group has estimated and recognized the impact of implementation of the New Labour Codes under Employee benefits expense for the year ended 31 March 2026. The impact of the same is not material for the year.

The Group continues to monitor the notification of State Rules and further clarifications from the Government in respect of other aspects of the Labour Codes. Any additional impact arising from such developments will be assessed and appropriately accounted for in the books as and when such rules are notified or clarifications are issued.

## 35. FINANCE COST

(₹ in Lakhs)

| Particulars                                | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|--------------------------------------------|-------------------------------------|-------------------------------------|
| Interest on Borrowings                     | 720.87                              | 476.02                              |
| Interest on Lease Liability (Refer Note 3) | 21.38                               | 16.48                               |
| Others                                     | 26.44                               | -                                   |
| <b>Total</b>                               | <b>768.69</b>                       | <b>492.50</b>                       |

## 36. OTHER EXPENSES

(₹ in Lakhs)

| Particulars                     | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|---------------------------------|-------------------------------------|-------------------------------------|
| Stores and Spare parts consumed | 861.89                              | 1,169.76                            |
| Rent                            | 70.79                               | 39.09                               |
| <b>Repairs and Maintenance</b>  | <b>70.79</b>                        | <b>39.09</b>                        |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## 36. OTHER EXPENSES (Contd.)

(₹ in Lakhs)

| Particulars                                             | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|---------------------------------------------------------|-------------------------------------|-------------------------------------|
| - Plant and Equipment                                   | 617.32                              | 501.01                              |
| - Buildings                                             | 110.48                              | 98.83                               |
| Insurance                                               | 267.68                              | 214.99                              |
| Rates and Taxes                                         | 73.88                               | 104.66                              |
| Travelling Expenses                                     | 292.60                              | 305.68                              |
| <b>Auditor's Remuneration (net of GST input credit)</b> |                                     |                                     |
| - Statutory Audit                                       | 25.00                               | 24.50                               |
| - Limited Review                                        | 4.50                                | 4.50                                |
| - Others                                                | 8.00                                | 3.00                                |
| - Out of Pocket Expenses                                | 1.04                                | 0.89                                |
| Commission to Directors (Refer Note 39)                 | 89.00                               | 230.00                              |
| Sitting Fees (Refer Note 39)                            | 10.65                               | 10.40                               |
| Expenditure on Corporate Social Responsibility          | 105.51                              | 122.39                              |
| Legal and Professional Fees                             | 214.39                              | 156.63                              |
| Freight (Net)                                           | 799.35                              | 942.62                              |
| Advertisement                                           | 13.22                               | 32.66                               |
| Bad receivables/Other Deposits written off              | 39.08                               | 78.27                               |
| Bank Charges                                            | 24.95                               | 57.05                               |
| Miscellaneous Expenses                                  | 591.27                              | 572.42                              |
|                                                         | <b>4,220.60</b>                     | <b>4,669.35</b>                     |
| <b>Note:</b>                                            |                                     |                                     |
| <b>(i) Miscellaneous Expenses includes:</b>             |                                     |                                     |
| - Donations                                             | 10.00                               | 10.00                               |

## 37. EXCEPTIONAL ITEM

During the previous year the subsidiary company had written off certain investments amounting to ₹ 988.77 Lakhs identified towards Caustic soda Plant project basis judgement that the future economic benefits of the expenditure incurred is unlikely to accrue to the company and hence could not be capitalised.

## 38.

(₹ in Lakhs)

| Particulars                                                                              | As at 31 March 2026 | As at 31 March 2025 |
|------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>a. Commitments</b>                                                                    |                     |                     |
| (i) Estimated amount of contracts remaining to be executed and not provided for in these |                     |                     |
| accounts (net of advances) in respect of purchase of:                                    |                     |                     |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

38. (Contd.)

(₹ in Lakhs)

| Particulars                                                                                                                                                                                                                                                              | As at 31 March 2026 | As at 31 March 2025 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| - Tangible assets                                                                                                                                                                                                                                                        | 397.13              | 4,996.53            |
| <b>b. Contingent liabilities in respect of</b>                                                                                                                                                                                                                           |                     |                     |
| (i) Claims against the Group not Acknowledged as debt                                                                                                                                                                                                                    | -                   | 83.16               |
| (ii) Corporate Guarantee/Letters of Comfort<br>(Refer note (i) below)                                                                                                                                                                                                    | 1,000.00            | 1,000.00            |
| (iii) Sales tax, Excise, Service Tax, Customs Duty and other demands against which the Parent Company has filed appeals and for which no provision is considered required as the Parent Company is hopeful of successful outcome in the appeals. (Refer note (ii) below) | 179.44              | 157.72              |

**Note (i):** Details of corporate guarantee/comfort letters issued on behalf of related parties are as follows:

(₹ in Lakhs)

| Particulars               | Beneficiary | As at 31 March 2026 | As at 31 March 2025 |
|---------------------------|-------------|---------------------|---------------------|
| Chemfab Karaiikal Limited | HDFC Bank   | 1,000.00            | 1,000.00            |

The purpose of the above corporate guarantee issued was towards securing financing facilities to the above mentioned related parties.

**Note (ii):**

(₹ in Lakhs)

| Sl No. | Name of the Statute          | Nature of Dues (Including Interest) | Disputed Amount (Net of Provision)<br>₹ in lakhs | Period (F.Y)              | Forum where dispute is pending             |
|--------|------------------------------|-------------------------------------|--------------------------------------------------|---------------------------|--------------------------------------------|
| 1      | The Finance Act, 1994        | Service Tax                         | 8.15<br>(7.80)                                   | June 2005 to January 2008 | Commissioner (Appeals), Chennai            |
| 2      | The Central Excise Act, 1944 | Excise Duty                         | 2.47<br>(2.35)                                   | October 2011 to June 2012 | Commissioner of Central Excise, Puducherry |
| 3      | The Customs Act, 1962        | Customs Duty                        | 102.47<br>(95.67)                                | F.Y. 2013-14              | CESTAT                                     |
| 4      | The Income Act, 1961         | Income Tax                          | 66.35<br>(51.90)                                 | F.Y. 2002-03              | The High Court of Madras                   |

**Notes:**

- The amounts shown above represent best possible estimate carried on the basis of the available information. The uncertainties and possible reimbursement are dependent on the outcome of the various case proceedings which have been initiated by the Parent Company or the claimants, as the case may be, and therefore cannot be predicted accurately.
- Figures in bracket indicate previous year figures.

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## 39. RELATED PARTY DISCLOSURES

### a) List of Related parties and description of relationship

(₹ in Lakhs)

|                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                              |
|--------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (i) Individuals exercising Significant influence                                           | Mr. Suresh Krishnamurthi Rao – Chairman                                                                                                                                                                                                                                                                                                                                                      |
| (ii) Relatives of above                                                                    | Mrs. K.M. Padma (Mother of Mr. Suresh Krishnamurthi Rao)                                                                                                                                                                                                                                                                                                                                     |
| (iii) Entities exercising significant influence over the Group                             | Dr. Rao Holdings Pte Ltd                                                                                                                                                                                                                                                                                                                                                                     |
| (iv) Entities in which persons listed in (i) and (ii) above exercise significant influence | Team Hiitec Eqpt Private Limited                                                                                                                                                                                                                                                                                                                                                             |
| (v) Key Management Personnel (KMP) of the Group                                            | Mr. V.M. Srinivasan – Chief Executive Officer<br>Mr. S. Prasath – Chief Financial Officer                                                                                                                                                                                                                                                                                                    |
| (vii) Directors                                                                            | Mr. Nitin S Cowlagi – Non Executive Director<br>Mr. C.S. Ramesh – Non Executive Director***<br>Mrs. Drushti Desai – Non Executive Director<br>Mr. Janakiraman A – Non Executive Director<br>Mr. Mahendran R – Non Executive Director<br>Mrs. Sujatha Jayarajan – Non Executive Director<br>Mr. Satish Narain Jajoo – Non Executive Director**<br>Mr. T. Ramabadran – Non Executive Director* |
| (viii) Other related party                                                                 | Chemfab Alkalys Limited Employee's Group Gratuity Trust                                                                                                                                                                                                                                                                                                                                      |

**Note 1:** The list above includes only parties with transactions during the year.

**"Note 2:**

\*Mr. T. Ramabadran retired with effect from closing business hours of 31 March 2024.

\*\*Mr Satish Narain Jajoo – Non Executive Director was appointed from 30 May 2025.

\*\*\*Mr C.S. Ramesh – Non Executive Director retired with effect from 31 July 2025.

### b) Transactions with related parties:

(₹ in Lakhs)

| Nature of Transaction                            | Related Party                    | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|--------------------------------------------------|----------------------------------|-------------------------------------|-------------------------------------|
| <b>1. Transactions during the year</b>           |                                  |                                     |                                     |
| <b>a) Income</b>                                 |                                  |                                     |                                     |
| Sale of Products                                 | Team Hiitec Eqpt Private Limited | 4.89                                | 6.87                                |
| Debit note for compensation of purchase of goods | Team Hiitec Eqpt Private Limited | -                                   | -                                   |
| <b>b) Expenditure</b>                            |                                  |                                     |                                     |
| Purchase of Goods and Services                   | Team Hiitec Eqpt Private Limited | 247.77                              | 25.54                               |
| Lease Rent                                       | Team Hiitec Eqpt Private Limited | 1.22                                | 1.70                                |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## b) Transactions with related parties: (Contd.)

(₹ in Lakhs)

| Nature of Transaction                                                                                           | Related Party                                               | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|-----------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Interest on Inter Corporate Deposit                                                                             | Team Hiitec Eqpt Private Limited                            | 38.55                               |                                     |
| Salaries, Perquisites and post employment benefits                                                              | Mr. V.M. Srinivasan                                         | 167.20                              | 654.63                              |
|                                                                                                                 | Mr. S. Prasath                                              | 50.28                               | 197.51                              |
| <b>c) Others</b>                                                                                                |                                                             |                                     |                                     |
| Inter Corporate Deposit taken                                                                                   | Team Hiitec Eqpt Private Limited                            | 1,100.00                            | -                                   |
| Commission (paid out of the provision made during the previous year)                                            | Mr. Suresh Krishnamurthi Rao                                | 200.00                              | 412.50                              |
| Commission (paid out of the provision made during the previous year) and Sitting Fees (accrued during the year) | Mr. C.S. Ramesh                                             | 5.70                                | 9.60                                |
|                                                                                                                 | Mrs. Drushti Desai                                          | 7.08                                | 9.30                                |
|                                                                                                                 | Mr. Janakiraman A.                                          | 6.90                                | 9.50                                |
|                                                                                                                 | Mr. Mahendran R.                                            | 6.50                                | 8.80                                |
|                                                                                                                 | Mrs. Sujatha Jayarajan                                      | 6.70                                | 9.20                                |
|                                                                                                                 | Mr. T. Ramabadran                                           | -                                   | 7.50                                |
|                                                                                                                 | Mr. Sathish Narain Jajoo                                    | 1.30                                | -                                   |
|                                                                                                                 | Mr. Nitin S. Cowlagi                                        | 6.48                                | 9.00                                |
| Contractually reimbursable expenses                                                                             | Team Hiitec Eqpt Private Limited                            | 11.17                               | 13.14                               |
| Contribution to employees post employment benefit plans                                                         | Chemfab Alkalies Limited<br>Employee's Group Gratuity Trust | 1.76                                | 2.81                                |
| Dividend paid (Including TDS)                                                                                   | Mr. Suresh Krishnamurthi Rao                                | 17.81                               | 17.81                               |
|                                                                                                                 | Mrs. K.M. Padma                                             | 13.88                               | 13.88                               |
|                                                                                                                 | Dr. Rao Holdings Pte Ltd                                    | 84.51                               | 84.51                               |
|                                                                                                                 | Team Hiitec Eqpt Private Limited                            | 13.40                               | 13.40                               |
|                                                                                                                 | Mr. V.M. Srinivasan                                         | 3.25                                | 2.80                                |
|                                                                                                                 | Mr. Prasath S.                                              | 0.50                                | 0.33                                |
|                                                                                                                 | Mr. Nitin S Cowlagi                                         | 0.70                                | 0.70                                |

### Note:

- Purchases, Sales and Services above are inclusive of taxes.
- The above excludes Provision for Commission to Directors of ₹ 89 lakhs (PY - ₹ 230 lakhs) made during the year.

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## b) Transactions with related parties: (Contd.)

(₹ in Lakhs)

| Nature of Transaction                                   | Related Party                                              | As at 31 March 2026 | As at 31 March 2025 |
|---------------------------------------------------------|------------------------------------------------------------|---------------------|---------------------|
| <b>II. Balances Outstanding at the end of the year</b>  |                                                            |                     |                     |
| Payables                                                | Team Hiitec Eqpt Private Limited                           | 18.19               | -                   |
| Inter Corporate Deposit                                 | Team Hiitec Eqpt Private Limited                           | 1,100.00            | -                   |
| Other employment benefits payable                       | Mr. V.M. Srinivasan                                        | 68.04               | 55.02               |
|                                                         | Mr. Prasath S.                                             | 21.54               | 17.85               |
| Contribution to employees post employment benefit plans | Chemfab Alkalys Limited<br>Employee's Group Gratuity Trust | 619.53              | 577.51              |

Benefits included in Compensation of key management personnel of the Company are as below:

(₹ in Lakhs)

| Particulars                                 | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|---------------------------------------------|-------------------------------------|-------------------------------------|
| Mr. V.M. Srinivasan                         |                                     |                                     |
| Salary and perquisite                       | 157.90                              | 168.20                              |
| Share-based payment transactions perquisite | -                                   | 478.39                              |
| Post employment benefits                    | 9.30                                | 8.04                                |
| <b>Total</b>                                | <b>167.20</b>                       | <b>654.63</b>                       |
| Mr. Prasath S.                              |                                     |                                     |
| Salary and perquisite                       | 42.98                               | 37.88                               |
| Share-based payment transactions perquisite | -                                   | 152.21                              |
| Post employment benefits                    | 7.31                                | 7.42                                |
| <b>Total</b>                                | <b>50.28</b>                        | <b>197.51</b>                       |

## 40. EARNINGS PER SHARE

Net Profit for the year has been used as the numerator and number of shares has been used as denominator for calculating the basic and diluted earnings per share.

(₹ in Lakhs)

| Particulars                                                                | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|----------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Face Value Per Share - ₹                                                   | 10                                  | 10                                  |
| Net Profit/(Loss) attributable to the Equity shareholders (A) - ₹ In Lakhs | (342.65)                            | (694.03)                            |
| Weighted average Number of Shares (B)                                      | 1,43,68,847                         | 1,42,88,591                         |
| <b>Add:</b> Effects of ESOP which are dilutive in nature                   | -                                   | 53,959                              |
| Weighted average Number of Shares for Diluted EPS (C)                      | 1,43,68,847                         | 1,43,42,550                         |
| Basic Earnings per Share (A/B) - ₹                                         | (2.38)                              | (4.86)                              |
| Diluted Earnings per Share (A/C) - ₹                                       | (2.38)                              | (4.84)                              |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## 41. EMPLOYEE BENEFIT PLANS

### I. Defined contribution plans

The Parent Company makes Provident Fund, Superannuation Fund which are defined contribution plans, for qualifying employees. During the year, the Group has recognised the following amounts under Defined Contribution Plan in the Statement of Profit and Loss:

(₹ in Lakhs)

| Particulars                                                         | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|---------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Employer's Contribution to Provident Fund/Pension Scheme            | 155.29                              | 143.39                              |
| Employer's Contribution to Superannuation Fund                      | 16.02                               | 17.95                               |
| Employer's Contribution to Employee Deposit Linked Insurance scheme | 2.16                                | 18.36                               |
|                                                                     | <b>173.47</b>                       | <b>179.70</b>                       |

### II. Defined benefit plans

The Parent Company operates a gratuity plan covering qualifying employees. The benefit payable is calculated as per the Code on Social Security, 2020 (CSS) effective 21 November 2025. The provision includes amount payable to "fixed term employees" who have been in continuous service for a period of 1 year in addition to other employees who are eligible for gratuity benefits post the continuous employment period of 5 years. As per the said Code on Social Security, 2020, gratuity entitlement is based on the last drawn wages computed proportionately for 15 days for every year of completed service or part thereof in excess of six months. Previously, estimation was based on the provisions of the Payment of Gratuity Act, 1972. The Parent Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India and Aditya Birla Sun Life Insurance Company Limited. Gratuity has been accrued based on actuarial valuation as at the balance sheet date, carried out by an independent actuary.

(a) Amount recognised in the statement of profit & loss in respect of the defined benefit plan are as follows:

(₹ in Lakhs)

| Particulars                                                                                                 | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|-------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Recognised in Statement of Profit and Loss</b>                                                           |                                     |                                     |
| Current service cost                                                                                        | 102.23                              | 112.29                              |
| Past service cost                                                                                           | 23.96                               | -                                   |
| Net interest expense                                                                                        | 13.68                               | 13.68                               |
| <b>Components of defined benefit costs recognised in the Statement of Profit and Loss</b>                   | <b>139.87</b>                       | <b>125.97</b>                       |
| <b>Remeasurement on the net defined benefit liability:</b>                                                  |                                     |                                     |
| Return on plan assets (excluding amount included in net interest expense)                                   | (2.96)                              | 0.48                                |
| Actuarial gains and loss arising from changes in financial assumptions                                      | (83.25)                             | (58.57)                             |
| <b>Components of defined benefit costs recognised in Other Comprehensive Income</b>                         | <b>(86.21)</b>                      | <b>(58.09)</b>                      |
| <b>Total defined benefit cost recognised in Statement of Profit and Loss and Other Comprehensive Income</b> | <b>53.66</b>                        | <b>67.88</b>                        |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

- (i) The current service cost and interest expense for the year are included in the "Employee Benefit Expenses" in the statement of profit & loss under the line item "Contribution to Provident and Other Funds".
- (ii) The remeasurement of the net defined benefit liability is included in other comprehensive income.

**(b) The amount included in the balance sheet arising from the entity's obligation in respect of defined benefit plan is as follows:**

(₹ in Lakhs)

| Particulars                                                  | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|--------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Net asset/(liability) recognised in the Balance Sheet</b> |                                     |                                     |
| 1. Present value of defined benefit obligation               | (846.95)                            | (794.41)                            |
| 2. Fair value of plan assets                                 | 619.53                              | 577.51                              |
| <b>Net asset/(liability) recognised in the Balance Sheet</b> | <b>(227.42)</b>                     | <b>(216.90)</b>                     |
| Current portion of the liability included under Note 26      | 96.45                               | 91.00                               |
| Non-Current portion of the liability included under Note 21  | 130.97                              | 125.90                              |
|                                                              | <b>227.42</b>                       | <b>216.90</b>                       |

**(c) Movement in the present value of the defined benefit obligation are as follows:**

(₹ in Lakhs)

| Particulars                                                               | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|---------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Present value of defined benefit obligation at the beginning of the year  | 794.41                              | 739.24                              |
| <b>Expenses Recognised in Statement of Profit and Loss:</b>               |                                     |                                     |
| - Current service cost                                                    | 102.23                              | 112.29                              |
| - Past service cost                                                       | 23.96                               | -                                   |
| - Interest cost                                                           | 50.98                               | 51.25                               |
| <b>Recognised in Other Comprehensive Income:</b>                          |                                     |                                     |
| <b>Remeasurement gains/(losses):</b>                                      |                                     |                                     |
| - Actuarial gains and loss arising from changes in financial assumptions  | (83.25)                             | (58.57)                             |
| Benefits paid                                                             | (41.38)                             | (49.80)                             |
| <b>Present value of defined benefit obligation at the end of the year</b> | <b>846.95</b>                       | <b>794.41</b>                       |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## (d) Movement in fair value of plan assets are as follows:

(₹ in Lakhs)

| Particulars                                                               | Year Ended<br>31 March 2026 | Year Ended<br>31 March 2025 |
|---------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>Change in fair value of assets during the year</b>                     |                             |                             |
| Fair value of plan assets at the beginning of the year                    | 577.51                      | 537.60                      |
| Expenses Recognised in Statement of Profit and Loss:                      |                             |                             |
| Expected return on plan assets                                            | 37.31                       | 37.58                       |
| Recognised in Other Comprehensive Income:                                 |                             |                             |
| Return on plan assets (excluding amount included in net interest expense) | 2.96                        | (0.48)                      |
| Contributions by employer                                                 | 43.13                       | 52.61                       |
| Benefits paid                                                             | (41.38)                     | (49.80)                     |
| <b>Fair value of plan assets at the end of the year</b>                   | <b>619.53</b>               | <b>577.51</b>               |

## (e) The fair value of plan assets plan at the end of the reporting period are as follows:

| Particulars                                       | As at 31 March 2026 | As at 31 March 2025 |
|---------------------------------------------------|---------------------|---------------------|
| <b>Investment Funds with Insurance Company</b>    |                     |                     |
| - Aditya Birla Sun Life Insurance Company Limited | 15.66%              | 15.68%              |
| - Life Insurance Corporation of India             | 84.34%              | 84.32%              |

The plan assets comprise insurer managed funds. None of the assets carry a quoted market price in active market or represent the entity's own transferable financial instruments or property occupied by the entity

## (f) The principal assumptions used for the purpose of actuarial valuation were as follows:

| Particulars                    | As at 31 March 2026          | As at 31 March 2025          |
|--------------------------------|------------------------------|------------------------------|
| Discount rate                  | 6.85%                        | 6.45%                        |
| Expected return on plan assets | 6.46%                        | 6.99%                        |
| Salary escalation              | 10.00%                       | 10.00%                       |
| Attrition                      | 11.00%                       | 10.33%                       |
| Mortality tables               | India Assured Life (2012-14) | India Assured Life (2012-14) |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

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

(₹ in Lakhs)

| Impact on the Defined benefit Obligation                     | Increase            | Increase            |
|--------------------------------------------------------------|---------------------|---------------------|
|                                                              | As at 31 March 2026 | As at 31 March 2025 |
| Change in the discount rate by 50 basis point                | 17.80               | 17.58               |
| Change in Attrition rate by 50 basis point                   | 2.14                | 2.50                |
| Change in Expected rate of salary increase by 50 basis point | (18.98)             | (18.64)             |

(₹ in Lakhs)

| Impact on the Defined benefit Obligation            | Decrease            | Decrease            |
|-----------------------------------------------------|---------------------|---------------------|
|                                                     | As at 31 March 2026 | As at 31 March 2025 |
| Change in the discount rate by 50 basis point       | (18.61)             | (18.43)             |
| Change in Attrition rate by 50 basis point          | (2.23)              | (2.62)              |
| Change in Expected rate of salary by 50 basis point | 18.34               | 17.96               |

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

Furthermore in presenting the above sensitivity analysis the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There is no change in the methods and assumptions used in preparing the sensitivity analysis from the prior years.

## (g) Effect of plan on Entity's future cash flows

### (i) Funding arrangements and funding policy

The Parent Company has a gratuity fund to provide for payment of gratuity to the employees. Every year, the insurance Company carries out a funding valuation based on the latest employee data provided by the company. The deficit in the assets is funded by the company.

### (ii) The Parent Company expects to make a contribution of ₹ Nil during the next financial year.

### (iii) The weighted average duration of the benefit obligation as at 31 March 2026 is 4.9 years (5.1 years as at 31 March 2025).

### (iv) Maturity profile of defined benefit obligation:

| Expected cash flows (valued on undiscounted basis): | Amount ₹ In lakhs |
|-----------------------------------------------------|-------------------|
| within 1 year                                       | 96.45             |
| 2 to 5 years                                        | 630.94            |
| 6 to 10 years                                       | 250.52            |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## Experience adjustments

(₹ in Lakhs)

| Gratuity                                               | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|--------------------------------------------------------|-------------------------------------|-------------------------------------|
| Present value of DBO                                   | 846.95                              | 794.41                              |
| Fair value of plan assets                              | 619.53                              | 577.51                              |
| Experience gain/(loss) adjustments on plan liabilities | 83.25                               | 58.57                               |
| Experience gain/(loss) adjustments on plan assets      | 2.96                                | (0.48)                              |

Details relating to the experience adjustments are provided to the extent information is available.

## Compensated Absences

The key assumptions used in the computation of provision for long term compensated absences as per the Actuarial Valuation are as given below:

| Particulars        | For the Year Ended<br>31 March 2026 | For the Year Ended<br>31 March 2025 |
|--------------------|-------------------------------------|-------------------------------------|
| Discount rate      | 6.85%                               | 6.45%                               |
| Salary Growth rate | 10.00%                              | 10.00%                              |
| Attrition rate     | 11.00%                              | 10.33%                              |

## 42. FINANCIAL INSTRUMENTS

### (I) Capital Management

The Group manages its capital to maximise shareholders' returns while maintaining a sound and optimal capital structure. For the purpose of capital management, capital comprises equity share capital and other equity, while debt comprises borrowings and current maturities of long-term debt, net of cash and bank balances and short-term investments. The Group monitors its capital structure and liquidity position on a periodic basis, including through the gearing ratio, and there has been no change in its overall capital risk management strategy compared to the previous year. Although the Parent Company had a net current liability position at the reporting date, it has access to adequate liquidity through sanctioned credit facilities and unutilised funding lines. Based on fund flow projections, available financing arrangements and expected drawdown of sanctioned facilities, management believes the Group has sufficient resources to meet its obligations as they fall due and to maintain an appropriate capital structure. The Group is not subject to any externally imposed capital requirements.

### Gearing Ratio:

(₹ in Lakhs)

| Particulars                           | As at 31 March 2026 | As at 31 March 2025 |
|---------------------------------------|---------------------|---------------------|
| Borrowings                            | 12,296.00           | 8,253.50            |
| Short Term Investments                | (1,347.80)          | (1,625.81)          |
| Cash and Bank Balances                | (92.04)             | (492.57)            |
| <b>Net Debt (A)</b>                   | <b>10,856.16</b>    | <b>6,135.12</b>     |
| <b>Total Equity (B)</b>               | <b>37,540.69</b>    | <b>37,998.81</b>    |
| <b>Net Debt to equity ratio (A/B)</b> | <b>0.29</b>         | <b>0.16</b>         |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## (II) Categories of Financial Instruments

### (a) Financial Assets

(₹ in Lakhs)

| Particulars                                                               | As at 31 March 2026 | As at 31 March 2025 |
|---------------------------------------------------------------------------|---------------------|---------------------|
| <b>Measured at fair value through Other Comprehensive Income (FVTOCI)</b> |                     |                     |
| - Investments                                                             | 7.91                | 9.54                |
| <b>Measured at fair value through P&amp;L (FVTPL)</b>                     |                     |                     |
| - Investments                                                             | 1,347.80            | 1,625.81            |
| <b>Measured at amortised cost</b>                                         |                     |                     |
| - Trade receivables                                                       | 2,407.65            | 2,076.95            |
| - Cash and Cash Equivalents                                               | 8.46                | 470.10              |
| - Bank Balances other than above                                          | 83.58               | 22.47               |
| - Other Financial Assets                                                  | 249.34              | 252.99              |
| <b>Total</b>                                                              | <b>4,104.74</b>     | <b>4,457.86</b>     |

### (b) Financial Liabilities:

(₹ in Lakhs)

| Particulars                       | As at 31 March 2026 | As at 31 March 2025 |
|-----------------------------------|---------------------|---------------------|
| <b>Measured at amortised cost</b> |                     |                     |
| - Borrowings                      | 12,296.00           | 8,253.50            |
| - Trade Payables                  | 3,127.22            | 3,224.94            |
| - Lease Liabilities               | 279.51              | 180.56              |
| - Other financial liabilities     | 1,583.18            | 479.63              |
| <b>Total</b>                      | <b>17,285.91</b>    | <b>12,138.63</b>    |

## (III) Financial Risk Management Framework:

The Group manages financial risk relating to the operations through internal risk reports which analyse exposure by degree and magnitude of risk. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Group does not enter into or trade financial instruments including derivative financial instruments for speculative purpose.

## (IV) Foreign Currency Risk Management:

The Group undertakes transactions denominated in foreign currencies and consequently, exposures to exchange rate fluctuations arises. The Group has not entered into any derivative contracts during the year ended 31 March 2026 and there are no outstanding contracts as at 31 March 2026.

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting period are as follows:

(₹ in Lakhs)

| Particulars       | Currency | As at 31 March 2026        |                   | As at 31 March 2025        |                   |
|-------------------|----------|----------------------------|-------------------|----------------------------|-------------------|
|                   |          | Amount in Foreign Currency | Amount-₹ In lakhs | Amount in Foreign Currency | Amount-₹ In lakhs |
| Capital Creditors | EUR      | 10,19,687.80               | 1,093.38          | 1,77,417.04                | 161.20            |
| Capital Creditors | USD      | 732.37                     | 0.62              | 1,57,248.00                | 136.65            |
| Trade Payables    | USD      | 1,59,720.00                | 147.46            | 6,87,377.63                | 595.98            |
| Trade Payables    | EURO     | -                          | -                 | 80,628.00                  | 76.20             |
| Trade Receivables | USD      | 6,525.92                   | 5.47              | 22,464.02                  | 19.22             |

All of the above exposures have not been hedged.

## (V) Foreign Currency sensitivity analysis:

The following table details the Group's sensitivity to a 5% increase and decrease in INR against the relevant foreign currencies. 5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectation of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates a increase in profit/ decrease in loss and increase in equity where the INR strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or loss and equity and balance below would be negative.

### Impact on Profit and loss for the reporting period

| Particulars | For the Year Ended 31 March 2026 |                | For the Year Ended 31 March 2025 |                |
|-------------|----------------------------------|----------------|----------------------------------|----------------|
|             | Increase by 5%                   | Decrease by 5% | Increase by 5%                   | Decrease by 5% |
| USD         | (0.08)                           | 0.08           | (0.41)                           | 0.41           |
| EURO        | (0.51)                           | 0.51           | (0.13)                           | 0.13           |

### Impact on total equity as at the end of the reporting period

| Particulars | As at 31 March 2026 |                | As at 31 March 2025 |                |
|-------------|---------------------|----------------|---------------------|----------------|
|             | Increase by 5%      | Decrease by 5% | Increase by 5%      | Decrease by 5% |
| USD         | (0.08)              | 0.08           | (0.41)              | 0.41           |
| EURO        | (0.51)              | 0.51           | (0.13)              | 0.13           |

#### Note:

This is mainly attributable to the exposure of receivable and payable outstanding in the above mentioned currencies to the Group at the end of the reporting period.

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## (VI) Forward foreign exchange contracts:

There are no forward foreign exchange contracts outstanding as at 31 March 2026.

## (VII) Liquidity Risk Management:

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The Group manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and by matching maturing profiles of financial assets and financial liabilities in accordance with the approved risk management policy of the Group.

### Liquidity and Interest Risk Tables:

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Group may be required to pay.

(₹ in Lakhs)

| Particulars           | Upto 1 Year     | 1-3 Years       | 3-5 Years       | 5 years and above | Total            |
|-----------------------|-----------------|-----------------|-----------------|-------------------|------------------|
| <b>March 31, 2026</b> |                 |                 |                 |                   |                  |
| Interest bearing      | 5,336.72        | 4,424.07        | 2,405.94        | 454.51            | 12,621.23        |
| Non-interest bearing  | 4,460.32        | 111.83          | 31.55           | 60.98             | 4,664.68         |
| <b>Total</b>          | <b>9,797.04</b> | <b>4,535.90</b> | <b>2,437.49</b> | <b>515.49</b>     | <b>17,285.91</b> |
| <b>March 31, 2025</b> |                 |                 |                 |                   |                  |
| Interest bearing      | 1,961.32        | 3,384.10        | 2,891.68        | 244.81            | 8,481.91         |
| Non-interest bearing  | 3,536.52        | 48.98           | 13.31           | 57.91             | 3,656.72         |
| <b>Total</b>          | <b>5,497.84</b> | <b>3,433.08</b> | <b>2,904.99</b> | <b>302.72</b>     | <b>12,138.63</b> |

### Interest Rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

### Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for term loan at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A change (decrease/increase) of 100 basis points in interest rates for term loan at the reporting date would increase/(decrease) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

### Impact on Profit and Loss for the reporting period

(₹ in Lakhs)

| Particulars                                        | As at 31 March 2026 |             | As at 31 March 2025 |             |
|----------------------------------------------------|---------------------|-------------|---------------------|-------------|
|                                                    | Increase by         | Decrease by | Increase by         | Decrease by |
|                                                    | 100 bps             | 100 bps     | 100 bps             | 100 bps     |
| Impact on Profit and Loss for the reporting period | (71.74)             | 81.02       | 0.00                | 0.00        |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## Impact on Total Equity as at end of the reporting period

(₹ in Lakhs)

| Particulars                                              | As at 31 March 2026 |             | As at 31 March 2025 |             |
|----------------------------------------------------------|---------------------|-------------|---------------------|-------------|
|                                                          | Increase by         | Decrease by | Increase by         | Decrease by |
|                                                          | 100 bps             | 100 bps     | 100 bps             | 100 bps     |
| Impact on Total Equity as at end of the reporting period | (71.74)             | 81.02       | 0.00                | 0.00        |

The following tables detail the Group's remaining contractual maturity for its non-derivative financial Assets with agreed repayment periods. The Group does not hold any derivative financial instrument.

(₹ in Lakhs)

| Particulars           | Upto 1 Year     | 1-3 Years    | 3-5 Years    | 5 years and above | Total           |
|-----------------------|-----------------|--------------|--------------|-------------------|-----------------|
| <b>March 31, 2026</b> |                 |              |              |                   |                 |
| Interest bearing      | 1,437.38        | 73.52        | -            | 133.89            | 1,644.79        |
| Non-interest bearing  | 2,440.36        | -            | 0.00         | 19.59             | 2,459.95        |
| <b>Total</b>          | <b>3,877.74</b> | <b>73.52</b> | <b>0.00</b>  | <b>153.48</b>     | <b>4,104.74</b> |
| <b>March 31, 2025</b> |                 |              |              |                   |                 |
| Interest bearing      | 1,651.80        | 28.69        | 22.32        | 133.88            | 1,836.69        |
| Non-interest bearing  | 2,599.40        | 12.23        | -            | 9.54              | 2,621.17        |
| <b>Total</b>          | <b>4,251.20</b> | <b>40.92</b> | <b>22.32</b> | <b>143.42</b>     | <b>4,457.86</b> |

Non-interest rate bearing financial assets disclosed above includes Trade Receivable, Cash, Balances with banks held in current accounts and Other Financial Assets.

Fixed interest rate instruments disclosed above represents balances with banks held in deposit accounts and discounted financial assets.

### (VIII) Credit Risk:

Credit risk refers to the risk that a customer or a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The carrying amount of the financial assets recorded in these financial statements, grossed up for any allowance for losses, represents the maximum exposures to credit risk.

### (IX) Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The Management considers that the carrying amount of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

### (X) Offsetting of financial assets and financial liabilities

The Group has not offset financial assets and financial liabilities.

## 43. FAIR VALUE HIERARCHY

This note provides information about how the Group determines fair value of various financial assets and liabilities.

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## (I) Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis:

(₹ in Lakhs)

| Particulars                                         | Fair Value as at |                 | Fair Value Hierarchy | Valuation techniques and key inputs   |
|-----------------------------------------------------|------------------|-----------------|----------------------|---------------------------------------|
|                                                     | 31 March 2026    | 31 March 2025   |                      |                                       |
| <b>Financial Assets</b>                             |                  |                 |                      |                                       |
| - Investment in quoted Equity Instruments at FVTOCI | 7.91             | 9.54            | Level 1              | Quoted bid prices in an active market |
| - Other Investments at FVTPL                        | 1,347.80         | 1,625.81        | Level 1              | Based on fund statement               |
| <b>Total</b>                                        | <b>1,355.71</b>  | <b>1,635.35</b> |                      |                                       |

## (II) Fair value of financial assets and financial liabilities that are not measured at fair value (Non-recurring):

(₹ in Lakhs)

| Particulars                                          | As at 31 March 2026 |                  | As at 31 March 2025 |                  |
|------------------------------------------------------|---------------------|------------------|---------------------|------------------|
|                                                      | Carrying Value      | Fair Value       | Carrying Value      | Fair Value       |
| <b>Financial assets at amortised cost:</b>           |                     |                  |                     |                  |
| - Trade receivables                                  | 2,407.65            | 2,407.65         | 2,076.95            | 2,076.95         |
| - Cash and Cash Equivalents                          | 8.46                | 8.46             | 470.10              | 470.10           |
| - Bank Balances other than above                     | 83.58               | 83.58            | 22.47               | 22.47            |
| - Other financial assets                             | 249.34              | 249.34           | 252.99              | 252.99           |
| <b>Total</b>                                         | <b>2,749.03</b>     | <b>2,749.03</b>  | <b>2,822.51</b>     | <b>2,822.51</b>  |
| <b>Financial liabilities held at amortised cost:</b> |                     |                  |                     |                  |
| - Borrowings                                         | 12,296.00           | 12,296.00        | 8,253.50            | 8,253.50         |
| - Trade Payables                                     | 3,127.22            | 3,127.22         | 3,224.94            | 3,224.94         |
| - Lease Liabilities                                  | 279.51              | 279.51           | 180.56              | 180.56           |
| - Other financial liabilities                        | 1,583.18            | 1,583.18         | 479.63              | 479.63           |
| <b>Total</b>                                         | <b>17,285.91</b>    | <b>17,285.91</b> | <b>12,138.63</b>    | <b>12,138.63</b> |

## Fair value hierarchy as at 31 March 2026

(₹ in Lakhs)

| Particulars                                | Level 1      | Level 2  | Level 3         | Total           |
|--------------------------------------------|--------------|----------|-----------------|-----------------|
| <b>Financial assets at amortised cost:</b> |              |          |                 |                 |
| - Cash and Cash Equivalents                | 8.46         | -        | -               | 8.46            |
| - Bank Balances other than above           | 83.58        | -        | -               | 83.58           |
| - Trade receivables                        | -            | -        | 2,407.65        | 2,407.65        |
| - Other financial assets                   | 2.56         | -        | 246.78          | 249.34          |
|                                            | <b>94.60</b> | <b>-</b> | <b>2,654.43</b> | <b>2,749.03</b> |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## Fair value hierarchy as at 31 March 2026 (Contd.)

(₹ in Lakhs)

| Particulars                                          | Level 1 | Level 2 | Level 3          | Total            |
|------------------------------------------------------|---------|---------|------------------|------------------|
| <b>Financial liabilities held at amortised cost:</b> |         |         |                  |                  |
| - Borrowings                                         | -       | -       | 12,296.00        | 12,296.00        |
| - Trade Payables                                     | -       | -       | 3,127.22         | 3,127.22         |
| - Lease Liabilities                                  | -       | -       | 279.51           | 279.51           |
| - Other financial liabilities                        | -       | -       | 1,583.18         | 1,583.18         |
|                                                      | -       | -       | <b>17,285.91</b> | <b>17,285.91</b> |

## Fair value hierarchy as at 31 March 2025

(₹ in Lakhs)

| Particulars                                          | Level 1       | Level 2  | Level 3          | Total            |
|------------------------------------------------------|---------------|----------|------------------|------------------|
| <b>Financial assets at amortised cost:</b>           |               |          |                  |                  |
| - Cash and Cash Equivalents                          | 470.10        | -        | -                | 470.10           |
| - Bank Balances other than above                     | 22.47         | -        | -                | 22.47            |
| - Trade receivables                                  | -             | -        | 2,076.95         | 2,076.95         |
| - Other financial assets                             | 22.32         | -        | 230.67           | 252.99           |
|                                                      | <b>514.89</b> | <b>-</b> | <b>2,307.62</b>  | <b>2,822.51</b>  |
| <b>Financial liabilities held at amortised cost:</b> |               |          |                  |                  |
| - Borrowings                                         | -             | -        | 8,253.50         | 8,253.50         |
| - Trade Payables                                     | -             | -        | 3,224.94         | 3,224.94         |
| - Lease Liabilities                                  | -             | -        | 180.56           | 180.56           |
| - Other financial liabilities                        | -             | -        | 479.63           | 479.63           |
|                                                      | <b>-</b>      | <b>-</b> | <b>12,138.63</b> | <b>12,138.63</b> |

## 44. SEGMENT INFORMATION

### Description of segments and principal activities

The Group identifies its operating segment based on the nature and class of product and services, nature of production process and assessment of differential risks and returns and financial reporting results reviewed by the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of performance. Operating segments have been identified on the basis of the nature of products/services and have been identified as per the quantitative criteria specified in the Ind AS. For financial statements presentation purposes, individual operating segments have been aggregated

into a single operating segment after taking into consideration the similar nature of the products, production processes and other risk factors.

Specifically, the Group's reportable segments under Ind AS are as follows:

- 1) Chemicals and related Products/Services
- 2) PVC-O Pipes

### Geographical segments

The geographical segments considered for disclosure are based on markets, broadly as India and Others.

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## Segment accounting policies

In addition to the significant accounting policies applicable to the business segment as set out in note 1.17, the accounting policies in relation to segment accounting are as under:

Operating revenues and expenses related to both third party and inter-segment transactions are included in determining the segment results of each respective segment. Inter segment sales are eliminated in consolidation.

Other income earned and finance expense incurred are not allocated to individual segment and the same has been reflected at the Group level for segment reporting.

The total assets disclosed for each segment include all operating assets used by each segment, and primarily include receivables, property, plant and equipment, intangibles, inventories, operating cash and bank balances, inter-segment assets and exclude, deferred tax assets and income tax etc.

Segment liabilities comprise operating liabilities and exclude external borrowings, provision for taxes, deferred tax liabilities etc.

## I. Segment revenues and results

(₹ in Lakhs)

| Particulars                                   | Business segments                       |             | Total     |
|-----------------------------------------------|-----------------------------------------|-------------|-----------|
|                                               | Chemicals and related Products/Services | PVC-O Pipes |           |
| <b>Revenue</b>                                |                                         |             |           |
| - Current Year                                | 21,814.51                               | 9,346.75    | 31,161.26 |
| - Previous Year                               | 20,292.38                               | 13,145.05   | 33,437.43 |
| <b>Less: Inter-segment revenue</b>            |                                         |             |           |
| - Current Year                                | -                                       | 58.99       | 58.99     |
| - Previous Year                               | -                                       | -           | -         |
| <b>Total</b>                                  |                                         |             |           |
| - Current Year                                | 21,814.51                               | 9,287.76    | 31,102.27 |
| - Previous Year                               | 20,292.38                               | 13,145.05   | 33,437.43 |
| <b>Segment result before exceptional item</b> |                                         |             |           |
| - Current Year                                | (1,709.99)                              | 1,589.88    | (120.11)  |
| - Previous Year                               | (2,310.07)                              | 3,049.01    | 738.94    |
| <b>Less: Exceptional Item</b>                 |                                         |             |           |
| - Current Year                                | -                                       | -           | -         |
| - Previous Year                               | 988.77                                  | -           | 988.77    |
| <b>Segment result after exceptional item</b>  |                                         |             |           |
| - Current Year                                | (1,709.99)                              | 1,589.88    | (120.11)  |
| - Previous Year                               | (3,298.84)                              | 3,049.01    | (249.83)  |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## I. Segment revenues and results (Contd.)

(₹ in Lakhs)

| Particulars                                | Business segments                       |             | Total     |
|--------------------------------------------|-----------------------------------------|-------------|-----------|
|                                            | Chemicals and related Products/Services | PVC-O Pipes |           |
| <b>Finance Cost</b>                        |                                         |             |           |
| - Current Year                             | -                                       | -           | 768.69    |
| - Previous Year                            | -                                       | -           | 492.50    |
| <b>Operating income</b>                    |                                         |             |           |
| - Current Year                             | -                                       | -           | (888.80)  |
| - Previous Year                            | -                                       | -           | (742.33)  |
| <b>Other income</b>                        |                                         |             |           |
| - Current Year                             | -                                       | -           | 868.8     |
| - Previous Year                            | -                                       | -           | 711.79    |
| <b>Profit before taxes</b>                 |                                         |             |           |
| - Current Year                             | -                                       | -           | (20.00)   |
| - Previous Year                            | -                                       | -           | (30.54)   |
| <b>Tax expense</b>                         |                                         |             |           |
| - Current Year                             | -                                       | -           | 322.65    |
| - Previous Year                            | -                                       | -           | 663.49    |
| <b>Profit for the year</b>                 |                                         |             |           |
| - Current Year                             | -                                       | -           | (342.65)  |
| - Previous Year                            | -                                       | -           | (694.03)  |
| <b>Other information</b>                   |                                         |             |           |
| <b>Material items of expenses</b>          |                                         |             |           |
| <b>Cost of Materials Consumed</b>          |                                         |             |           |
| - Current Year                             | 5,584.01                                | 3,917.88    | 9,501.89  |
| - Previous Year                            | 4,760.88                                | 5,451.16    | 10,212.04 |
| <b>Other Direct Manufacturing Expenses</b> |                                         |             |           |
| - Current Year                             | 10,561.32                               | 669.23      | 11,230.55 |
| - Previous Year                            | 11,167.24                               | 712.99      | 11,880.23 |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## II. Segment Assets and Liabilities

(₹ in Lakhs)

| Particulars                          | Business segments                       |             | Total     |
|--------------------------------------|-----------------------------------------|-------------|-----------|
|                                      | Chemicals and related Products/Services | PVC-O Pipes |           |
| <b>Segment assets</b>                |                                         |             |           |
| - Current Year                       | 31,989.11                               | 21,906.91   | 53,896.02 |
| - Previous Year                      | 31,617.08                               | 15,858.21   | 47,475.29 |
| <b>Unallocable assets</b>            |                                         |             |           |
| - Current Year                       | -                                       | -           | 3,777.37  |
| - Previous Year                      | -                                       | -           | 4,706.96  |
| <b>Total assets</b>                  |                                         |             |           |
| - Current Year                       | -                                       | -           | 57,673.39 |
| - Previous Year                      | -                                       | -           | 52,182.25 |
| <b>Segment liabilities</b>           |                                         |             |           |
| - Current Year                       | 5,453.32                                | 2,194.70    | 7,648.02  |
| - Previous Year                      | 3,546.82                                | 2,181.34    | 5,728.16  |
| <b>Unallocable liabilities</b>       |                                         |             |           |
| - Current Year                       | -                                       | -           | 12,484.68 |
| - Previous Year                      | -                                       | -           | 8,455.28  |
| <b>Total liabilities</b>             |                                         |             |           |
| - Current Year                       | -                                       | -           | 20,132.70 |
| - Previous Year                      | -                                       | -           | 14,183.44 |
| <b>Other information</b>             |                                         |             |           |
| <b>Capital expenditure</b>           |                                         |             |           |
| - Current Year                       | 3,772.38                                | 5,617.31    | 9,389.68  |
| - Previous Year                      | 4,556.50                                | 5,681.72    | 10,238.21 |
| <b>Depreciation and amortisation</b> |                                         |             |           |
| - Current Year                       | 1,842.31                                | 999.64      | 2,841.95  |
| - Previous Year                      | 1,948.81                                | 1,684.32    | 3,633.13  |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

Information on geographic segments:

(₹ in Lakhs)

| Geographical Segment | Revenues for the year ended 31 March 2026 | Non-Current Assets as at 31 March 2026 (Refer Note 2 below) |
|----------------------|-------------------------------------------|-------------------------------------------------------------|
| <b>India</b>         |                                           |                                                             |
| - Current Year       | 31,086.49                                 | 42,619.71                                                   |
| - Previous Year      | 33,341.35                                 | 37,667.93                                                   |
| <b>Others</b>        |                                           |                                                             |
| - Current Year       | 15.78                                     | -                                                           |
| - Previous Year      | 96.08                                     | -                                                           |

**Note:**

1) Also Refer Note 1.17.

2) Non current assets excludes deferred tax assets and income tax assets.

## 45. EMPLOYEE STOCK OPTION SCHEME

**a) The details of the Employee stock option schemes approved by the shareholders are as below:**

(₹ in Lakhs)

| Geographical Segment                                                | Number   | Grant Date | Exercise price in ₹ | Fair value on the date of grant in ₹ |
|---------------------------------------------------------------------|----------|------------|---------------------|--------------------------------------|
| "CAESOS 2020" [Chemfab Alkalies Employees Stock Option Scheme 2020] | 3,22,000 | 29-Oct-20  | 97.83               | 139.75                               |
| "CAESOS 2020" [Chemfab Alkalies Employees Stock Option Scheme 2020] | 24,400   | 23-May-22  | 134.79              | 192.55                               |
| "CAESOS 2020" [Chemfab Alkalies Employees Stock Option Scheme 2020] | 6,000    | 12-Aug-23  | 227.12              | 324.45                               |

The options may be exercised within a period of 12 months from the date of vesting and the vesting plan of the stock option schemes are as below:

|                                                          |
|----------------------------------------------------------|
| <b>CAESOS 2020</b>                                       |
| 25% of the Options - One year from the date of grant.    |
| 25% of the Options - Two years from the date of grant.   |
| 25% of the Options - Three years from the date of grant. |
| 25% of the Options - Four years from the date of grant.  |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## b) Employee stock options details as on the balance sheet date are as follows:

(₹ in Lakhs)

| Particulars                                                                                                                              | For the Year Ended<br>31 March 2026 |                                                         | For the Year Ended<br>31 March 2025 |                                                         |
|------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|---------------------------------------------------------|-------------------------------------|---------------------------------------------------------|
|                                                                                                                                          | Options<br>(Numbers)                | Weighted<br>average<br>exercise price<br>per option (₹) | Options<br>(Numbers)                | Weighted<br>average<br>exercise price<br>per option (₹) |
| <b>"CAESOS 2020" [Chemfab Alkalys Employees Stock Option Scheme 2020]</b>                                                                |                                     |                                                         |                                     |                                                         |
| Option outstanding at the beginning of the year:                                                                                         | 32,200                              | 111.56                                                  | 1,33,300                            | 108.72                                                  |
| <b>Add:</b> Granted during the year:                                                                                                     | -                                   | -                                                       | -                                   | -                                                       |
| <b>Less:</b> Exercised during the year:                                                                                                  | (10,000)                            | 97.83                                                   | (89,000)                            | 97.93                                                   |
| <b>Less:</b> Lapsed during the year:                                                                                                     | (10,000)                            | 97.83                                                   | (6,000)                             | 227.12                                                  |
|                                                                                                                                          | <b>(12,200)</b>                     | <b>134.79</b>                                           | -                                   | -                                                       |
| <b>Options outstanding at the end of the year:</b>                                                                                       | -                                   | -                                                       | <b>32,200</b>                       | <b>111.56</b>                                           |
| The exercise price has been determined on the basis of the weighted average share price of Chemfab Alkalys Limited as at the grant date. | -                                   | -                                                       | -                                   | 111.56                                                  |

Weighted average remaining contractual life for options outstanding as at 31 March 2026 - 0 Years (As at 31 March 2025 - 1 Years)

\*Out of the above, shares relating to Nil options are pending allotment as at 31 March 2026 (PY Nil).

## c) The assumptions used in this model for calculating fair value on date of grant are as below: "CAESOS 2020" [Chemfab Alkalys Employees Stock Option Scheme 2020] (Using Black-Scholes model)

| Particulars                          | 25 % options | 25 % options | 25 % options | 25 % options |
|--------------------------------------|--------------|--------------|--------------|--------------|
| Risk Free Interest Rate              | 7.50%        | 7.50%        | 7.50%        | 7.50%        |
| Expected Life                        | 1            | 2            | 3            | 4            |
| Expected Annual Volatility of Shares | 64.78%       | 55.79%       | 57.14%       | 55.92%       |
| Expected Dividend Yield              | 12.50%       | 12.50%       | 12.50%       | 12.50%       |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## d) Stock Options exercised during the year

(₹ in Lakhs)

| Particulars                                                         | Number Exercised | Exercise date | Exercise price in ₹ |
|---------------------------------------------------------------------|------------------|---------------|---------------------|
| "CAESOS 2020" [Chemfab Alkalies Employees Stock Option Scheme 2020] | 2,000            | 23-Jun-25     | 97.83               |
| "CAESOS 2020" [Chemfab Alkalies Employees Stock Option Scheme 2020] | 2,000            | 18-Jul-25     | 97.83               |
| "CAESOS 2020" [Chemfab Alkalies Employees Stock Option Scheme 2020] | 2,000            | 08-Sep-25     | 97.83               |
| "CAESOS 2020" [Chemfab Alkalies Employees Stock Option Scheme 2020] | 4,000            | 18-Sep-25     | 97.83               |

## e) Total expense accounted for by the Company on account of the above are given below:

(₹ in Lakhs)

| Particulars                                        | For the Year Ended 31 March 2026 | For the Year Ended 31 March 2025 |
|----------------------------------------------------|----------------------------------|----------------------------------|
| ESOP cost accounted by the Company (Refer Note 34) | -                                | 11.16                            |
| <b>Total</b>                                       | <b>-</b>                         | <b>11.16</b>                     |

**Note:** The Company has amended "CAESOS -2020" for granting additional stock options to eligible employees in accordance with applicable regulations. No options have been granted for the additional options to the reporting date.

## 46. STATEMENT OF NET ASSETS AND PROFIT OR LOSS ATTRIBUTABLE TO OWNERS:

(₹ in Lakhs)

| Name of the Entities in the group | Net Assets (Total Assets minus Total Liabilities) as at 31 March 2026 |                  | Share in Profit or (Loss) for the year ended 31 March 2026 |                 | Share in Other Comprehensive Income for the year ended 31 March 2026 |              | Share in Total Comprehensive Income for the year ended 31 March 2026 |                 |
|-----------------------------------|-----------------------------------------------------------------------|------------------|------------------------------------------------------------|-----------------|----------------------------------------------------------------------|--------------|----------------------------------------------------------------------|-----------------|
|                                   | As a % of consolidated                                                | Amount           | As a % of consolidated                                     | Amount          | As a % of consolidated                                               | Amount       | As a % of consolidated                                               | Amount          |
| <b>A. Parent</b>                  |                                                                       |                  |                                                            |                 |                                                                      |              |                                                                      |                 |
| Chemfab Alkalies Limited          | 70.02%                                                                | 26,287.86        | (272.47%)                                                  | 933.63          | 100.00%                                                              | 59.08        | (350.08%)                                                            | 992.71          |
| <b>B. Wholly Owned Subsidiary</b> |                                                                       |                  |                                                            |                 |                                                                      |              |                                                                      |                 |
| Chemfab Karaiikal Limited         | 29.96%                                                                | 11,248.17        | 372.07%                                                    | (1,274.90)      | 0.00%                                                                | -            | 449.59%                                                              | (1,274.90)      |
| Chemfab Hiitech Piping Limited    | 0.01%                                                                 | 4.66             | 0.40%                                                      | (1.38)          | 0.00%                                                                | -            | 0.49%                                                                | (1.38)          |
| <b>Total</b>                      | <b>100.00%</b>                                                        | <b>37,540.69</b> | <b>100.00%</b>                                             | <b>(342.65)</b> | <b>100.00%</b>                                                       | <b>59.08</b> | <b>100.00%</b>                                                       | <b>(283.57)</b> |

(₹ in Lakhs)

| Name of the Entities in the group | Net Assets (Total Assets minus Total Liabilities) as at 31 March 2025 |                  | Share in Profit or (Loss) for the year ended 31 March 2025 |                 | Share in Other Comprehensive Income for the year ended 31 March 2025 |              | Share in Total Comprehensive Income for the year ended 31 March 2025 |                 |
|-----------------------------------|-----------------------------------------------------------------------|------------------|------------------------------------------------------------|-----------------|----------------------------------------------------------------------|--------------|----------------------------------------------------------------------|-----------------|
|                                   | As a % of consolidated                                                | Amount           | As a % of consolidated                                     | Amount          | As a % of consolidated                                               | Amount       | As a % of consolidated                                               | Amount          |
| <b>A. Parent</b>                  |                                                                       |                  |                                                            |                 |                                                                      |              |                                                                      |                 |
| Chemfab Alkalies Limited          | 69.55%                                                                | 26,429.75        | (221.75%)                                                  | 1,539.01        | 100.00%                                                              | 38.43        | (240.61%)                                                            | 1,577.44        |
| <b>B. Wholly Owned Subsidiary</b> |                                                                       |                  |                                                            |                 |                                                                      |              |                                                                      |                 |
| Chemfab Karaiikal Limited         | 30.45%                                                                | 11,569.06        | 321.75%                                                    | (2,233.04)      | 0.00%                                                                | -            | 340.61%                                                              | (2,233.04)      |
| <b>Total</b>                      | <b>100.00%</b>                                                        | <b>37,998.81</b> | <b>100.00%</b>                                             | <b>(694.03)</b> | <b>100.00%</b>                                                       | <b>38.43</b> | <b>100.00%</b>                                                       | <b>(655.60)</b> |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

47.

(₹ in Lakhs)

| RATIOS                                          | Numerator                                                                                                               | Denominator                                                                                     | 2025-26 | 2024-25 | Variance % | Reason for Variance                                                                                 |
|-------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|---------|---------|------------|-----------------------------------------------------------------------------------------------------|
| (a) Current Ratio (in times)                    | Total Current Assets                                                                                                    | Total Current Liabilities                                                                       | 1.12    | 1.65    | -32%       | There is decrease in ratio due to increase in short term borrowings                                 |
| (b) Debt- equity Ratio (in times)               | Debts consists of borrowings and lease liabilities                                                                      | Total Equity                                                                                    | 0.33    | 0.22    | 51%        | There is an increase in debt equity ratio on account of increase in borrowings in the current year. |
| (c) Debt Service Coverage Ratio (in times)      | Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments | Debt service = Interest and lease payments + Principal repayments                               | 7.63    | 3.58    | 113%       | There is an improvement in the ratio due to reduction in repayment of loan during the year.         |
| (d) Return on Equity Ratio (in %)               | Profit for the year less Preference dividend (if any)                                                                   | Average total equity                                                                            | -0.91%  | -1.81%  | -50%       | There is improvement in ratio due to decrease in losses during the year                             |
| (e) Inventory turnover ratio (in times)         | Revenue from Operations                                                                                                 | Average Inventory                                                                               | 11.72   | 15.48   | -24%       | There is decrease in ratio due to decrease in revenue from operations                               |
| (f) Trade Receivables turnover ratio (in times) | Revenue from Operations                                                                                                 | Average Trade Receivables                                                                       | 13.87   | 15.93   | -13%       | No major variance.                                                                                  |
| (g) Trade payables turnover ratio (in times)    | Total Expenses - Finance Cost - Depreciation and Amortisation Expenses                                                  | Average Trade Payables                                                                          | 8.94    | 9.77    | -9%        | No major variance.                                                                                  |
| (h) Net capital turnover ratio (in times)       | Revenue from Operations                                                                                                 | "Average working capital (i.e. Total current assets less Total current liabilities)"            | 22.46   | 7.09    | 217%       | There is a increase in the ratio mainly due to increase in current liabilities.                     |
| (i) Net profit ratio (in %)                     | Profit for the Year                                                                                                     | Revenue from Operations                                                                         | -1.10%  | -2.08%  | -47%       | There is increase in ratio due to decrease in losses during the year                                |
| (j) Return on Capital employed (in %)           | Profit before tax and finance costs                                                                                     | Capital employed = Tangible Net Worth + Total Debt + Deferred Tax Liability- Deferred Tax Asset | 1.56%   | 1.05%   | 49%        | There is increase in ratio due to increase in profitability.                                        |
| (k) Return on investment (in %)                 | Income generated from Other investments under Current Financial Assets                                                  | Average of Other investments under Current Financial Assets                                     | 1.59%   | 1.93%   | -18%       | Decreased due to lower realisation                                                                  |

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

## 48. RELATIONSHIP WITH STRUCK OFF COMPANIES

(₹ in Lakhs)

| Name of the Struck off Company                      | Nature of transactions with struck off company | Balance outstanding (Amount ₹ In Lakhs) | Relationship with the struck off company, if any, to be disclosed |
|-----------------------------------------------------|------------------------------------------------|-----------------------------------------|-------------------------------------------------------------------|
| <b>Year ended 31 March 2026</b>                     |                                                |                                         |                                                                   |
| Nil                                                 | NA                                             | NA                                      | NA                                                                |
| <b>Year ended 31 March 2025</b>                     |                                                |                                         |                                                                   |
| Nathanz Chemicals Pvt Ltd.                          | Advances                                       | 0.27                                    | NA                                                                |
| Advance Valves Private Limited (Refer Note below)   | Payables                                       | 0.00                                    | NA                                                                |
| Pyrotech Electronics (P) Limited (Refer Note below) | Payables                                       | 0.00                                    | NA                                                                |

**Note:** The Parent company had transactions with the parties during the previous year, however closing balance as at 31 March 2026 was Nil (PY Nil).

## 49. EVENTS SUBSEQUENT TO THE BALANCE SHEET DATE

- (i) The Board of Directors of the Parent company have recommended a final dividend of 12.50% (₹ 1.25 per Equity Share of ₹ 10 each) for the financial year 2025-26 which is subject to the approval of the shareholders in the forthcoming Annual General Meeting of the Parent Company.

The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

- (v) The quarterly returns or statements comprising (stock statements, book debt statements, credit monitoring arrangement reports, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information filed by the Group with such banks or financial institutions are in agreement with the unaudited books of account of the Group of the respective quarters.

## 50 ADDITIONAL REGULATORY INFORMATION

- (i) The Group has not revalued any of its property, plant and equipment and intangible assets during the year.
- (ii) No proceedings have been initiated during the year or are pending against the Group as at 31 March 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (iii) The Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (iv) The Group has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

- (vi) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

- (vii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

- (viii) 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:

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries); or
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

# Notes forming part of the Consolidated Financial Statements

For the year ended 31 March 2026

- (ix) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
  - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (x) The Group does not have any Scheme of Arrangements which have been approved by the Competent Authority in terms of sections 230 to 237 of the Act.
- (xi) The Group has complied with the the number of layers prescribed under of Section 2(87) of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (xii) The Group has utilised the borrowing amount taken from financial institutions for the purpose as stated in the sanction letter.
- (xiii) The Group uses an accounting software for maintaining its books of accounts that has a feature of recording audit trail, which was enabled and operating throughout the year. However, in respect to a payroll software, in the absence of service organization control report from the vendor, the Group is unable to assess whether the audit trail feature of the said software was enabled and operated for the audit period 01 January 2026 to 31 March 2026, for all relevant transactions recorded in the said software and whether there was any instance of the audit trail feature been tampered with. The Group has established and maintained adequate internal controls over its financial reporting.
- 51.** The Board of Directors of the Parent Company has reviewed the realisable value of all the current assets and has confirmed that the value of such assets in the ordinary course of business will not be less than the value at which these are recognized in the financial statements. In addition, the Board has also confirmed the carrying value of the non-current assets in the financial statements. The Board, duly taking into account all the relevant disclosures made, has approved these consolidated financial statements in its meeting held on 13 May 2026.

**For and on behalf of Board of Directors**

**Suresh Krishnamurthi Rao**  
Chairman  
DIN: 00127809  
Place: Chennai

**S. Prasath**  
Chief Financial Officer  
Place: Chennai  
Date: 13 May 2026

**V. M. Srinivasan**  
Chief Executive Officer  
Place: Chennai

**Bharatraj Panchal**  
Company Secretary  
Place: Chennai

## ENVIRONMENT AND SUSTAINABILITY



- Miyawaki forests in institutional and community spaces
- Mooliyan Pond restoration and herbal gardens at health centres

## COMMUNITY DEVELOPMENT



- Farmer Revitalization Program through seed supply
- LED street lighting and community support initiatives

## EDUCATION



- STEM Mini Science Centres, Smart Classes and classroom infrastructure
- Education assistance, Anganwadi support and skill-based training programs

## HEALTH AND SAFE DRINKING WATER



- RO water systems in schools and Atmospheric Water Generator deployment
- Healthcare support through ventilator provision and Nikshay Mitra TB initiative

## **CHEMFAB ALKALIS LIMITED**

TEAM House", GST Salai, Vandalur, Chennai - 600 048  
Phone : +91 44 22750323, Fax: +91 -44 66799561  
Email : [ccalcosecy@ccal.in](mailto:ccalcosecy@ccal.in) Website: [www.chemfabalkalis.com](http://www.chemfabalkalis.com)