MANALI PETROCHEMICALS

Manali Petrochemicals Limited
SPIC House, 88, Mount Road, Guindy, Chennai - 600 032
Telefax : 044 - 2235 1098 Website : www.manalipetro.com
CIN : L24294TN1986PLC013087

Ref: MPL / Sectl / BSE & NSE / E-2 & E-3 / 2026
04th September 2026

The Manager
Listing Department
BSE Limited
Corporate Relationship Department
1st Floor, New Trading Ring
Rotunda Building,
P J Tower Dalal Street, Fort
Mumbai - 400 001
Stock Code: 500268

The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra-Kurla Complex
Bandra (East)
Mumbai - 400 051
Stock Code: MANALIPETC

Dear Sir/Madam,

Sub: Notice of the 40th Annual General Meeting and Annual Report for FY 2025-26.
Ref: Our earlier Intimation dt. 13th August 2026.

Pursuant to Regulation 34 (1) of the SEBI Listing Regulations, 2015 (Regulations), as amended, we submit the Annual Report for the financial year 2025-26 in pdf version including therein the Notice of the Annual General Meeting to be held on 28.09.2026, which will be sent by e-mail today to the shareholders and other persons entitled to receive the same.

Further, pursuant to Regulation 36(1)(b), the Company will send a letter containing web-link for accessing the Annual Report of the Company to the shareholders whose e-mail addresses are not registered with the Company/RTA.

The Annual Report is also available on the website of the Company at www.manalipetro.com

Physical copies will be sent to those Members who have requested. It may be noted that the Annual Report includes the Business Responsibility and Sustainability Report for the said financial year 2025-26.

We request you to kindly take the above on record.

Thanking you,

Yours faithfully,

For Manali Petrochemicals Limited

SRI VIGNESH G
Digitally signed by SRI VIGNESH G
Date: 2026.09.04 17:33:54 +05'30'

G Sri Vignesh
Company Secretary

Encl.: As above

ANNUAL REPORT

2025 - 26

Manali Petrochemicals Limited

Financial Highlights*

All amounts ₹ in Crore unless stated otherwise

Details	IND AS									
	2025-26	**2024-25**	**2023-24**	**2022-23**	**2021-22**	**2020-21**	**2019-20**	**2018-19**	**2017-18**	**2016-17[$]**
Net Revenue from operations	**1022.39**	897.12	1032.35	1177.09	1671.94	1024.48	803.05	810.25	765.36	698.85
Other income	**47.46**	24.51	29.16	28.06	17.88	13.50	12.86	11.51	2.99	13.22
Total Revenue	**1069.85**	921.63	1061.51	1205.15	1689.81	1037.98	815.92	821.75	768.35	712.06
EBIDTA	**129.50**	82.80	73.81	102.37	546.64	314.32	82.05	110.10	99.98	73.22
PBT	**150.45**	42.05	33.35	69.97	510.58	267.84	54.21	113.50	87.80	61.24
PAT	**129.95**	29.31	19.21	50.67	381.08	201.23	46.66	76.59	57.90	39.56
Total Comprehensive Income	**195.61**	45.67	30.24	56.94	376.28	211.63	73.63	73.63	57.56	39.61
Equity Capital	**86.03**	86.03	86.03	86.03	86.03	86.03	86.03	86.03	86.03	86.03
Reserves & Surplus	**1195.43**	1008.42	975.67	958.34	944.41	593.93	395.21	368.94	305.68	244.27
Net Worth	**1281.46**	1094.45	1061.70	1044.37	1030.44	679.96	481.24	454.97	391.71	330.30
Net Fixed Assets	**328.98**	288.86	245.26	237.19	211.24	201.81	215.03	203.51	198.08	183.64
Face Value of share ₹	**5.00**	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Earnings per share ₹	**7.56**	1.70	1.12	2.95	22.16	11.70	2.71	4.45	3.37	2.30
Dividend	**10%[#]**	10%	15%	15%	50%	30%	15%	15%	10%	10%
Book value per share ₹	**74.50**	63.63	61.73	60.72	59.91	39.53	27.98	26.45	22.77	19.20
EBITDA/Net Revenue	**12.67%**	9.23%	7.15%	8.70%	32.70%	30.68%	10.22%	13.59%	13.06%	10.48%
PBT/Net Revenue	**14.72%**	4.69%	3.23%	5.94%	30.54%	26.14%	6.75%	14.01%	11.47%	8.76%
PAT/Net Revenue	**12.71%**	3.27%	1.86%	4.31%	22.79%	19.64%	5.81%	9.45%	7.56%	5.66%
Return on Networth	**10.14%**	2.68%	1.81%	4.85%	36.98%	29.59%	9.70%	16.83%	14.78%	11.98%
Return on Capital Employed	**9.39%**	2.46%	1.68%	4.49%	34.47%	27.84%	8.74%	15.76%	13.89%	11.44%

[$]Restated as per IND AS

[#]Subject to declaration at the AGM

*The information is on consolidated basis.

Board of Directors

Ashwin C Muthiah	DIN: 00255679	Chairman
Devaki Muthiah Chardon	DIN: 10073541	Director
Hugo Chardon	DIN: 10919071	Director
Govindarajan Dattatreyan Sharma	DIN: 08060285	Director
Lt. Col. (Retd.) Chatapuram Swaminathan Shankar	DIN: 08397818	Director
Dr. N Sundaradevan, IAS (Retd.)	DIN: 00223399	Director
Thanjavur Kanakaraj Arun	DIN: 02163427	Director
Latha Ramanathan	DIN: 07099052	Director
R Bhuvaneswari	DIN: 06360681	Director
Anand Raghavan	DIN: 00243485	Director
R Chandrasekar	DIN: 06374821	MD & CEO - MPL Group
G R Sridhar	DIN: 10596912	WTD (Head of Plant Operations)

Company Secretary
G Sri Vignesh

CFO - MPL Group
Srishti M Bathija

Registered Office
SPIC House, 88, Mount Road
Guindy, Chennai-600 032
CIN: L24294TN1986PLC013087
Telefax: 044-2235 1098
Email: companysecretary@manalipetro.com
Website: www.manalipetro.com

Factories
Plant - 1
Ponneri High Road, Manali, Chennai-600 068
Plant - 2
Sathangadu Village, Manali, Chennai-600 068

Registrar and Share Transfer Agent (RTA)
Cameo Corporate Services Limited
Subramanian Building
1, Club House Road, Chennai-600 002
Phone: 044-28460390/28460394 & 28460718
Fax: 044-28460129, Online Investor Portal: wisdom.cameoindia.com

Auditors
Brahmayya & Co.
Chartered Accountants
48, Masilamani Road
Balaji Nagar, Royapettah
Chennai - 600 014

Cost Auditor
L Thriyambak
No.3, Socrates street
Anna Nagar, Chitlapakkam
Chennai - 600 064

Secretarial Auditors
B. Chandra & Associates
Company Secretaries
AG 3, Navin's Ragamalika
26, Kumaran Colony Main Road
Vadapalani
Chennai - 600 026

Internal Auditors
Sundar Srini & Sridhar
Chartered Accountants
First Floor, 9, Rajamannar Street
Chennai - 600 017

Bankers
HDFC Bank Limited
IDBI Bank Limited
Yes Bank Limited

Vision & Mission
To continuously enhance our customer centric approach towards product customization and to upgrade safety and environmental standards for the betterment of the community at large.

CONTENTS

Notice to Shareholders

NOTICE is hereby given that the 40th Annual General Meeting of the Company will be held at 05.00 PM (IST) on Monday, the 28th September 2026, through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) to transact the following items of business.

ORDINARY BUSINESS

1. **To receive, consider and adopt the Financial Statements of the Company and other Reports for the year ended 31st March 2026 by passing the following as an Ordinary Resolution:**

   RESOLVED THAT pursuant to Section 129 and other applicable provisions, if any, of the Companies Act, 2013, the Standalone and Consolidated Financial Statements of the Company for the year ended 31st March 2026 and the Reports of the Board of Directors and the Auditors thereon and the Report of the Secretarial Auditors are received, considered and adopted.

2. **To declare a dividend by passing the following as an Ordinary Resolution:**

   RESOLVED THAT pursuant to the recommendation of the Board of Directors, a dividend of fifty paise per equity share on 17,19,99,229 Equity Shares of ₹ 5/- each, absorbing ₹ 8.60 crore (Rupees eight crore sixty lakh only), subject to rounding off, is declared out of the profits, for the year ended 31st March 2026 and the same be paid:

   i. In respect of shares held in physical form, to those Members whose names appear on the Register of Members on 28th September 2026; and

   ii. In respect of shares held in electronic form, to those Members whose names appear in the list of Beneficial Owners furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), the Depositories, as at the end of business hours on 21st September 2026.

3. **To re-appoint Mr. Ashwin C Muthiah (DIN: 00255679) who retires by rotation and being eligible offers himself for re-appointment as a Director, by passing the following as an Ordinary Resolution:**

   RESOLVED THAT pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013, the Rules made thereunder and the Articles of Association of the Company, Mr. Ashwin C Muthiah (DIN: 00255679), a Director retiring by rotation being eligible and offering for re-election, is re-appointed as a Director of the Company, liable to retire by rotation.

SPECIAL BUSINESS

4. **To ratify the remuneration to the Cost Auditor for the year 2026-27 by passing the following as an Ordinary Resolution:**

   RESOLVED THAT pursuant to Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of ₹ 3,00,000/- (Rupees Three lakh only) plus applicable taxes and reimbursement of out-of-pocket expenses to Mr. L Thriyambak, Practicing Cost Accountant, Chennai, Cost Auditor of the Company for the year 2026-27 is ratified.

5. **To accord prior approval for the transactions with Tamilnadu Petroproducts Limited by passing the following as an Ordinary Resolution:**

   RESOLVED THAT pursuant to Regulation 23 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, and based on the recommendation of Audit Committee, approval is accorded for the transactions with Tamilnadu Petroproducts Limited which shall be valid from the date of this fortieth Annual General Meeting till the next Annual General Meeting, for purchase and sale of goods and services and other transactions for aggregate value upto ₹ 150 crore (Rupees One Hundred and Fifty Crore) excluding applicable taxes and duties.

6. To approve the payment of remuneration to the Non-Executive Directors for Financial Year 2025-26 by passing the following as a Special Resolution:

RESOLVED THAT

a. Pursuant to Section 197 and other applicable provisions, if any, of the Companies Act, 2013, (the Act), read with Schedule V, the Rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) Regulation 17(6) and other applicable Regulations, if any of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Article 91 (c) of the Articles of Association of the Company and subject to such other approvals as may be required, sanction is accorded for payment of remuneration to the Non-Executive Directors of the Company for the Financial Year 2025-26 as detailed below, subject to taxes:

Sl. No.	Name	Amount in ₹
01	Mr. Ashwin C Muthiah	7,00,000
02	Ms. Devaki Muthiah Chardon	7,00,000
03	Mr. Hugo Chardon	6,00,000
04	Mr. G D Sharma	7,00,000
05	Dr. N Sundaradevan, IAS (Retd)	7,00,000
06	Lt. Col. (Retd.) C S Shankar	7,00,000
07	Mr. T K Arun	7,00,000
08	Ms. Latha Ramanathan	7,00,000
09	Mr. Anand Raghavan*	4,00,000
10	Ms. R Bhuvaneswari$	5,00,000
11	Mr. M S Niranjhan#	1,00,000
	Total remuneration	**65,00,000**

**Appointed w.e.f. 3rd October 2025.*

#Resigned w.e.f. 12th August 2025.

$to be paid to TIDCO.

b. The Board of Directors of the Company (hereinafter called “the Board” which term shall be deemed to include any Committees, which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution and with the power to delegate such authority to any person or persons), is authorized to take such further actions as may be required for giving effect to the above proposal, which shall include the power to settle all or any matter, issue or question arising out of or in relation to or incidental to the aforesaid proposal and to do all other acts, deeds, matters and things as, the Board in its absolute discretion decide and as may be necessary, expedient or desirable in this regard.

13.08.2026
Registered Office:
SPIC House,
88, Mount Road, Guindy, Chennai - 600 032

By Order of the Board
For **Manali Petrochemicals Limited**
G Sri Vignesh
Company Secretary

ANNEXURE TO NOTICE
EXPLANATORY STATEMENT

Special Business: Item No. 4

The Board of Directors of the Company, based on the recommendation of the Audit Committee, at their meeting held on 13th August 2026 had approved the appointment of Mr. L Thriyambak, Practicing Cost Accountant, Chennai as the Cost Auditor of the Company for the year 2026-27 to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2027 at a remuneration of ₹ 3 Lakh (Rupees Three Lakh only) plus payment of applicable taxes and reimbursement of out-of-pocket expenses incurred by him in connection with the aforesaid audit.

In terms of the provisions of Section 148(3) of the Act read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the Members of the Company are required to ratify the remuneration proposed to be paid to the Cost Auditor. Accordingly, Board recommends an ordinary resolution under Item No.4 for consideration and approval of the Members.

None of the directors or Key Managerial Personnel of the Company or their relatives are interested or concerned financially or otherwise in the above resolution.

Special Business: Item No. 5

The Company has been having transactions with Tamilnadu Petroproducts Limited (TPL) for more than 3 decades for purchase/sale of various goods/services. In addition to the other products/services which were being sourced since inception, MPL has been purchasing Propylene Oxide from TPL since 2017-18 for its derivative plants.

Though not a Related Party within the meaning of the Act, TPL, being a joint venture of entities of which the Company is an Associate viz., Southern Petrochemical Industries Corporation Limited (SPIC) and Tamilnadu Industrial Development Corporation Limited (TIDCO), had been identified as a Related Party of the Company under IndAS-24 and so the requirements relating to transactions with Related Parties under the SEBI Listing Regulations, 2015 are being complied with. The transactions with TPL have always been in the ordinary course of business and on an arm's length basis and would continue to be so aligned to the extant market conditions and prevailing terms of sale/purchase of the relevant goods and services.

It is essential for the Company to continue the transactions with TPL as it has been one of the major suppliers of the essential raw materials to the Company for more than 3 decades.

In terms of the relevant Policy of the Company read with Regulation 23 and Schedule XII of the SEBI Listing Regulations, 2015 the transactions with Related Parties would be deemed material if they are more than 10% of the consolidated turnover of the Company in the preceding year. In this connection, it has been estimated that the transactions with TPL would continue to be material as per the aforesaid policy.

Pursuant to the amended provisions of Regulation 23(4) of the SEBI Listing Regulations, 2015 effective from 1-4-2022 all material related party transactions shall require prior approval of the members other than the Related Parties by an ordinary resolution. Accordingly, prior approval of the Members was obtained during earlier years and also at the last Annual General Meeting of the Company held on 16th September 2025 for transactions with TPL aggregating to ₹ 300 crore excluding taxes and duties for the period from 01-10-2025 to 30-09-2026.

As mentioned earlier it is expected that the transactions with TPL will continue to be material for the purpose of Regulation 23 read with the Policy of the Company. Also, it would be essential for the Company to deal with TPL for its raw material requirements and also provide them feedstock to ensure cost effectiveness.

As required under Regulation 23 of the SEBI Listing Regulations, 2015 the Audit Committee at the meeting held on 13th August, 2026 accorded its prior approval for transactions with TPL which shall be valid from the date of this Fortieth Annual General Meeting till the next Annual General Meeting, upto ₹ 150 crore excluding applicable taxes and duties; which is 14.67% of consolidated turnover as per the last Audited Financial Statements.

The management has provided the Audit Committee with the relevant details of proposed Related Party Transaction (RPT) including material terms and basis of pricing. All Independent Directors of the Audit Committee, after reviewing all necessary information, have granted approval for entering into the RPTs with TPL, for an aggregate value upto ₹ 150 crore which shall be valid from this 40th AGM till the next AGM.

The Audit Committee has noted that the said transactions with TPL will be in the ordinary course of business and on an arm's length basis. The Audit Committee has reviewed the certificate provided by MD & CEO and Chief Financial Officer of the Company, as required under the Industry Standards on "Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions" (RPT Industry Standards).

Details of the proposed RPTs between the Company and TPL, including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Master Circular dated January 30, 2026, read with SEBI circular dated June 26, 2025, has been set out in the statutory disclosure part of this Notice.

Accordingly, the Board recommends an Ordinary Resolution under Item No.5 for consideration and approval of the members. None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or in any way interested in the aforementioned proposal, except as stated in the Statutory Disclosure of this Notice.

Members may note that in terms of the provisions of the SEBI Listing Regulations, 2015 the related parties as defined thereunder (whether such related party(ies) are a party to the aforesaid transactions or not), shall not vote to approve Resolution under Item No. 5.

Special Business: Item No. 6

The Non-Executive Directors (NEDs) of the Company possess diverse knowledge and have rich experience in their respective areas of expertise. They provide critical and strategic advice on various matters, and the Company is immensely benefitted from their continued guidance. For the FY 2025-26 they were only paid sitting fees for the Board meetings, which do not commensurate with their contributions to the Company. So, it has been proposed that they be paid remuneration over and above the sitting fees, as set out in the resolution. In terms of the Remuneration Policy of the Company, the remuneration covered under Item No 6 has been recommended by the Nomination & Remuneration Committee and approved by the Board at their meetings held on 19th May 2026 and 21st May 2026 respectively.

As per Article 91 (c) of the Articles of Association of the Company and subject to the provisions of the Act, the Company in General Meeting may by special resolution sanction and pay to the Directors, other than executive directors, in addition to the sitting fees for attending the meetings of the Board or Committees thereof, a remuneration not exceeding such percentage of the net profits of the Company calculated in accordance with the provisions of the Act. The said amount of remuneration shall be paid to all or any such Director(s) of the Company who held office as Non-Executive Director at any time during the financial year in respect of which such remuneration is paid in such proportion or manner as prescribed under the Act or as determined by the Board. It may be noted that the proposed remuneration of ₹ 65 Lakh is in line with the limits prescribed under part II schedule V. Under Regulation 17 of the SEBI Listing Regulations, 2015, any fee or other payments to NEDs are to be determined by the Board and requires approval of Members of the Company.

Accordingly, the Board recommends Special Resolution under Item No.6 for consideration and approval of the members. Except the Non-Executive Directors and their relatives, none of the other Directors or Key Managerial Personnel of the Company or their relatives are deemed to be concerned or interested financially or otherwise in the above proposal.

13.08.2026
Registered Office:
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88, Mount Road, Guindy, Chennai - 600 032

By Order of the Board
For **Manali Petrochemicals Limited**
G Sri Vignesh
Company Secretary

INFORMATION ABOUT THE DIRECTOR PROPOSED TO BE RE-APPOINTED AT THE 40TH AGM

Item 3

Brief profile of Mr. Ashwin C Muthiah (DIN: 00255679) as on 13th August 2026

Mr. Ashwin C Muthiah is the Founder Chairman of AM Group of Companies, Singapore which has interests across the globe in fertilizers, petrochemicals, distribution, infrastructure, healthcare and green energy. He is a commerce graduate from Loyola College, Chennai. After completing his post-graduation in management studies in the US, he joined the Group in India.

Mr. Ashwin, a third-generation business leader, has led the group since 2001; he initiated the strategic re-orientation of various business units to transform them into future-ready and sustainable entities in the new global economic environment. Today, the US$ 2 billion Group's ventures span diverse, traditional and new-age businesses across India, Southeast Asia and the UK.

Terms and conditions of Appointment:

Non-Executive Director liable to retire by rotation.

Disclosures:

i. Date of Birth: 01.01.1966;

ii. Details of Remuneration Proposed: Sitting fees as approved by the Board within the limits prescribed under the Companies Act, 2013. Other remuneration if any permitted under the Act / applicable Regulations, subject to approval of the members as applicable;

iii. Remuneration last drawn for FY 2025-26: ₹ 7.00 lakh towards sitting fees and ₹ 5.00 lakh as other remuneration;

iv. Date of first appointment on the Board: 27th April 2007;

v. Disclosure of relationships between directors inter-se and with other Key Managerial Personnel of the Company: Mr. Ashwin C Muthiah is relative of Mrs. Devaki Muthiah Chardon and Mr. Hugo Chardon, Non-executive Directors;

vi. Number of Meetings of the Board attended during the year: seven (7);

vii. Name of listed entities / other companies in which the person so holds the directorship and the membership of Committees of the Board: Directorship in Listed entities: (i) Tamilnadu Petroproducts Limited (Vice Chairman) (ii) Tuticorin Alkali Chemicals and Fertilizers Limited (Chairman) (iii) Sicagen India Limited (Chairman) and (iv) Southern Petrochemical Industries Corporation Limited (Chairman);

viii. Directorship in other companies - (i) Mitsuba India Private Limited (ii) AMI Holdings Private Limited and (iii) AM Foundation;

ix. Membership of Committees of the Board: Nil;

x. Listed entities from which the person has resigned in the past three years: Nil;

xi. Shareholding in the Company: 13,648 equity shares held.

Minimum Information to be provided under RPT Industry Standards

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td colspan="3">Part A: Minimum information of the proposed RPT</td></tr>
<tr><td colspan="3">A(1) Basic details of the related party</td></tr>
<tr><td>1</td><td>Name of the Related Party</td><td>Tamilnadu Petroproducts Limited (“TPL”)</td></tr>
<tr><td>2</td><td>Country of Incorporation of the Related Party</td><td>India</td></tr>
<tr><td>3</td><td>Nature of business of the Related Party</td><td>Manufacturer of Chemicals and chemical products</td></tr>
<tr><td colspan="3">A(2) Relationship and ownership of the related party</td></tr>
<tr><td rowspan="4">1</td><td>Relationship between the listed entity and the related party – including nature of its concern (financial or otherwise) and the following:</td><td>Joint Venture of entities which are Associates of MPL.</td></tr>
<tr><td>Shareholding of the listed entity, whether direct or indirect, in the related party.</td><td>Nil</td></tr>
<tr><td>Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity.</td><td>NA</td></tr>
<tr><td>Shareholding of the related party, whether direct or indirect, in the listed entity</td><td>Nil</td></tr>
<tr><td colspan="3">A(3) Details of previous transactions with the related party</td></tr>
<tr><td>1</td><td>Total amount of all the transactions undertaken by the listed entity with the related party during the last financial year</td><td><table>
<tr><th>Nature of Transactions</th><th>Amount (₹ in Lakhs)</th></tr>
<tr><td>Purchases</td><td>2,096.75</td></tr>
<tr><td>Sales</td><td>1,319.34</td></tr>
<tr><td>Total</td><td>3,416.09</td></tr>
</table></td></tr>
<tr><td>2</td><td>Total amount of all transactions undertaken by the listed entity with the related party from 1st October 2025 to 31st July 2026 (i.e. during the existing omnibus approval period as stated in the explanatory statement)</td><td><table>
<tr><th>Nature of Transactions</th><th>Amount (₹ in Lakhs)</th></tr>
<tr><td>Purchases</td><td>2,047.13</td></tr>
<tr><td>Sales</td><td>728.91</td></tr>
<tr><td>Total</td><td>2,776.04</td></tr>
</table></td></tr>
<tr><td>3</td><td>Total amount of all the transactions undertaken by the listed entity with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.</td><td>During Q1 of FY 2026-27, the Company’s transaction with TPL for sale and purchase of goods and services amounted to ₹ 250.64 Lakh.</td></tr>
<tr><td>4</td><td>Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.</td><td>No such default reported.</td></tr>
</table>

S. No.	Particulars of the information	Information provided by the management
A(4) Amount of the proposed transactions		
1	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.	₹ 150 Crore (excluding taxes).
2	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Yes
3	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year.	14.67%
4	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary, and where the listed entity is not a party to the transaction)	NA
5	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.	10.23%
6	Financial performance of the related party for the immediately preceding financial year (As on 31st March 2026)	Turnover – ₹ 1,466.14 Crore. Profit After Tax – ₹ 88.76 Crore. Net worth – ₹ 911.23 Crore.
A(5) Basic details of proposed transactions to be approved		
1	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)	Purchase/sale of goods and services and other related items.
2	Details of the proposed transaction	Same as above.
3	Tenure of the proposed transaction	Valid from this 40th Annual General Meeting (AGM) till the next AGM subject to approval of Members.
4	Whether omnibus approval is being sought	Yes
5	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	Proposed transaction is ₹ 150 crore. This is not a multiyear proposal; Valid from this Annual General Meeting (AGM) till the next AGM subject to approval of Members.

S. No.	Particulars of the information	Information provided by the management
6	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity.	The Company has been having transactions with TPL for more than 3 decades for purchase/sale of various goods/services. The transactions with TPL have always been in the ordinary course of business and on an arm's length basis and would continue to be so, aligned to the extant market conditions and prevailing terms of sale/purchase. It is essential for the Company to continue the transactions with TPL as it has been one of the major suppliers of the essential raw materials to the Company for more than 3 decades.
7	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly. a. Name of the director / KMP b. Shareholding of the director / KMP, whether direct or indirect, in the related party	We wish to inform that, Southern Petrochemical Industries Corporation Limited ("SPIC") and Tamilnadu Industrial Development Corporation Limited ("TIDCO"), being promoters of the Company, are also promoters of Tamilnadu Petroproducts Limited ("TPL"). SPIC and TIDCO collectively hold 34.54% of the paid-up equity share capital of TPL. Mr. Ashwin C. Muthiah, Non-Executive Director, and Ms. Latha Ramanathan, Mr. N. Sundaradevan, Mr. C. S. Shankar and Mr. G. D. Sharma, Independent Directors of the Company, are also directors on the Board of TPL. Save as stated above, no director or key managerial personnel of the Company, nor their respective relatives, has any direct or indirect interest or concern in the proposed transaction.
8	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Since the proposed transactions relate solely to the purchase and sale of goods and services on an arm's length commercial basis, no valuation report or other external party report is applicable or required.
9	Other information relevant for decision making.	All relevant information forms a part of this disclosure setting out requisite facts.
Part B: Additional Information		
B(1) Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances.		
1	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	TPL is the only domestic manufacturer of PO apart from MPL, therefore bidding is not applicable.
2	Basis of determination of price	The basis of determination of price is arm's length commercial pricing, as mutually agreeable.
3	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction, specify the following: a. Amount of trade advance b. Tenure c. Whether same is self-liquidating?	Not applicable.

Information as required under Para B of Annexure to the SEBI Circular SEBI/HO/CFD/CFD-PoD-2/P/CIR/2015/135 dated 13th October 2025 are also covered above.

The said transaction, being a material RPT, requires prior approval of the Members of the Company in accordance with Regulation 23 of the Listing Regulations.

IMPORTANT NOTES

Statutory information:

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act), annexed to the Notice which may also be deemed as the disclosure under Regulation 36 of the SEBI Listing Regulations, 2015.

2. Particulars of the Director seeking re-appointment at the Annual General Meeting (AGM) is furnished above to form an integral part of the Notice. The Director has furnished the requisite declaration for his re-appointment.

Meeting through Video Conferencing (VC)/Other Audio-Visual Means (OAVM)

3. Pursuant to General Circular No. 03/2025 dated 22nd September 2025 issued by the Ministry of Corporate Affairs ("MCA") and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated 3rd October 2024 issued by the Securities and Exchange Board of India, the 40th AGM will be held through Video Conferencing/ Other Audio Visual Means.

4. In terms of the above Circulars, there is no provision for appointment of proxies for the meeting. However, in pursuance of Section 112 and Section 113 of the Act, representatives of bodies corporate can attend the AGM through VC/OAVM and cast their votes through e-Voting.

5. **For participating in the meeting through the VC/OAVM please see the guidance in Page No. 16.**

6. Members desirous of speaking at the meeting may register through the web portal of the Registrar & Transfer Agent M/s Cameo Corporate Services Limited using the web-link: https://investors.cameoindia.com.

7. The above facility for registration of speakers will be open from 9:00 AM (IST) on Monday, 21st September 2026 to 5:00 PM (IST) on Friday, 25th September 2026. It may please be noted that there will be no option for spot registration or through any other mode. **Only those shareholders who have registered through the above process will be able to speak at the meeting**.

8. Members who do not wish to speak during the AGM but have queries may send their queries on or before Friday, 25th September 2026, 05:00 PM (IST) by email to companysecretary@manalipetro.com mentioning their name, demat account number/folio number and mobile number. These queries will be responded to by the Company suitably.

Dispatch of Annual Report 2025-26 and Notice of the 40th AGM

9. Electronic copy of the Annual Report for the year 2025-26 and the Notice of the 40th AGM are being sent to the Members whose E-mail IDs are registered with the Company and for persons holding shares in demat form as per the information provided by the Depositories. For the members whose e-mail IDs are not registered with the Company/RTA, a letter containing link for accessing the same are being sent. Printed copies will be provided to those who have made a specific request in writing to the Company or RTA.

10. Annual Report and the Notice of the AGM are available on the Company's website viz., www.manalipetro.com. The AGM Notice is also disseminated on the website of CDSL (the agency for providing the remote e-Voting facility and e-Voting system during the AGM) www.evotingindia.com.

Facility for Remote e-Voting and Voting during the meeting

11. Pursuant to Regulation 44 of the SEBI Listing Regulations, 2015, read with Section 108 of the Act, and the relevant Rules, the Company has entered into an arrangement with the Central Depository Services (India) Limited (CDSL) to facilitate the Members to exercise their right to vote at the Annual General Meeting by electronic means. The detailed process for participating in the said e-Voting is furnished in Page No. 16.

12. A person who has participated in e-Voting is not debarred from participating in the meeting though he shall not be able to vote during the meeting again and his earlier vote cast electronically shall be treated as final. As per Rule 20 of the Companies (Management & Administration) Rules, 2014, facility for voting will be made available during the meeting and Members who have not cast their vote by remote e-Voting shall be able to exercise their rights at the meeting which would also be through electronic means.

Payment of dividend

13. The dividend for the year 2025-26 upon declaration at the AGM, would be paid within the stipulated time as below:

    a. In respect of shares held in physical form to those Members whose names appear on the Register of Members on Monday, 28th September 2026; and

    b. In respect of shares held in electronic form, to those Members whose names appear in the list of Beneficial Owners furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), the Depositories, as at the end of business hours on Monday, 21st September 2026.

Tax Deducted at Source ("TDS") on Dividend

14. Pursuant to the Income-tax Act, 2025, as amended from time to time ("IT Act"), dividend income is taxable in the hands of shareholders. Accordingly, the Company will deduct tax at source ("TDS") at the applicable rates at the time of payment of the dividend, subject to the information and documents available with the Company / Registrar and Transfer Agent ("RTA") by the prescribed date.

    Shareholders are requested to ensure that their Permanent Account Number ("PAN") is updated and linked, where applicable, with Aadhaar and is registered in their demat account / folio. Shareholders holding shares in dematerialised form should update their PAN, residential status, bank account details and other relevant particulars with their Depository Participant. Shareholders holding shares in physical form should update the same with the RTA.

    Resident shareholders

    In the case of resident shareholders, TDS will generally be deducted at the rate of 10% under section 393(1) [Table Sl. No. 7] of the IT Act, provided that a valid PAN is available and operative.

    No TDS will be deducted in the case of a resident individual shareholder where the aggregate dividend payable by the Company during Tax Year 2026–27 does not exceed ₹10,000.

    TDS will be deducted at the higher rate of 20%, as applicable under section 397(2) of the IT Act, where PAN is not furnished, is invalid, or is inoperative, including on account of non-linkage with Aadhaar where such linkage is required under applicable law.

    Subject to fulfilment of the prescribed conditions, eligible resident individual shareholders may submit the prescribed declaration in Form 121 for non-deduction of tax. Such declaration should be complete in all respects and be submitted together with such supporting documents as may be required by the Company / RTA.

    A shareholder holding a valid certificate for lower deduction or nil deduction of tax issued under section 395(1) of the IT Act may submit a self-attested copy of such certificate to the Company / RTA. TDS will then be deducted at the rate specified in the certificate, subject to its validity and the conditions stated therein.

    In the case of resident shareholders that are exempt from tax or otherwise eligible for deduction at nil rate, including eligible mutual funds, insurance companies, Category I and Category II alternative investment funds, recognised provident funds, approved gratuity funds, approved superannuation funds, National Pension System Trust and Government shareholders, TDS may not be deducted on submission of the relevant declaration and supporting documents evidencing the shareholder's status and eligibility. The Company / RTA may rely on the documents and declarations furnished by the shareholder and may require additional information or documents, if considered necessary.

Non-resident shareholders

In the case of non-resident shareholders, including Foreign Portfolio Investors, TDS will generally be deducted under section 393(2) [Table Sl. No. 17] of the IT Act at the rate of 20%, plus applicable surcharge and cess, subject to a more beneficial rate available under an applicable Double Taxation Avoidance Agreement ("DTAA").

A non-resident shareholder intending to claim a beneficial DTAA rate should submit the following documents, subject to such further information or documentation as may be requested by the Company / RTA:

- Self-attested copy of PAN, if allotted in India.
- Self-attested copy of a valid Tax Residency Certificate ("TRC") for Tax Year 2026–27 issued by the tax authority of the shareholder's country of residence.
- Form 41, where applicable, duly furnished in the manner prescribed under the IT Act and the rules made thereunder.
- A declaration confirming tax residency, eligibility to claim benefits under the applicable DTAA, beneficial ownership of the dividend income and fulfilment of other conditions applicable for claiming treaty benefit.
- A declaration regarding the existence or otherwise of a permanent establishment / fixed base in India, where relevant under the applicable DTAA.
- In the case of FPI / FII shareholders, a copy of the applicable SEBI registration certificate or such other evidence as may be required.

The Company / RTA will apply the beneficial DTAA rate only where the documents and information furnished are complete and satisfactory. In the absence of satisfactory documentation, TDS will be deducted at the rate prescribed under the IT Act.

General

Shareholders are requested to independently determine their tax position and eligibility for any exemption, lower deduction or DTAA benefit. The Company / RTA will not be responsible for determining the shareholder's eligibility for a particular tax treatment.

The tax treatment set out above is based on the provisions of the IT Act and applicable rules in force as on the date of this Notice. The Company reserves the right to deduct tax at the rates prescribed under applicable law, based on the records available with it and the documents submitted by the shareholder.

15. The aforesaid forms and declarations may be provided through the Web-portal of the RTA https://Investors.cameoindia.com. It may please be noted that physical copies of the Forms will not be acceptable and so Members may provide the declaration only electronically. The facility for providing the declaration will not be available after 29th September 2026, 05:00 PM (IST).

16. As per SEBI guidelines, dividend is to be paid only through electronic mode into the bank account of the shareholder as per the details furnished by the Depositories. Warrants will not be issued for FY 2025-26.

Unpaid/Unclaimed Dividend

17. As per Section 125 of the Act, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company has, accordingly, transferred ₹45,96,662/- being the unpaid and unclaimed dividend amount pertaining to the year 2017-18 to the IEPF on 19th September 2025. The details of such transfer are available on the website of the Company.

18. Pursuant to Section 124(6) of the Act, during the year 4,58,044 equity shares relating the unpaid / unclaimed dividends for the year 2017-18 were transferred to the IEPF.

19. The details of unpaid dividend relating to the years 2018-19 to 2023-24 as on 16th September 2025 being the date of the last AGM is available in the website of the Company www.manalipetro.com. The updated details of unpaid dividend as on the date of the ensuing AGM relating to the years 2018-19 to 2024-25 will be uploaded on the Website of the Company in due course.

20. Dividend for the year 2018-19 remaining unclaimed and unpaid will be transferred to IEPF by end of September 2026 in line with IEPF Rules.

    In addition to the dividend, the related shares would also be transferred to the IEPF, if the shareholder has not encashed any dividend during a period of seven consecutive years, for which notices have been sent to the concerned shareholders and through newspaper advertisements. Shareholders are requested to lodge their claims for unpaid dividend with the RTA immediately to avoid transfer of the dividend and the shares to the IEPF.

21. As per the extant law, the shareholders are entitled to claim the unpaid dividends and the equity shares transferred to the IEPF for which they are required to submit the request online in Form IEPF-5.

General

22. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member promptly. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and verified.

23. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the RTA through the web-link: https://investors.cameoindia.com.

24. SEBI vide Circular dated 20-04-2018 has mandated to collect copy of PAN and Bank account details from Members holding shares in physical form. Accordingly in July 2018 individual letters were sent to those shareholders whose PAN and Bank account details were not available with the Company followed by two reminders. In spite of this, many shareholders have not come forward to provide the information. Such shareholders are requested to provide the information at the earliest to the Company/RTA. As per the said Circular the shareholders who have not furnished the information have been placed under “enhanced watch” and so their requests relating to their holdings will be processed subject to enhanced due diligence.

25. Pursuant to proviso to Regulation 40(1) of the Regulations, effective from 1st April 2019 transfer of securities other than transmission or transposition of names are not to be processed by the Company in physical form. So, shareholders desirous of transferring their shares are requested to dematerialize their holdings.

26. Members may avail nomination facility in respect of their holdings. Those holding shares in physical form may download the form available on the website of the Company and submit the same to the RTA. Those holding shares in demat form may approach their DP for registering the nominations.

27. The documents and information to be made available for inspection by the Members during the AGM will be provided electronically through the e-Voting facility of CDSL.

28. Pursuant to SEBI's Circulars dated 03-11-2021, 14-12-2021, 16-03-2024 and 10-06-2024, it shall be mandatory for all the holders of physical securities to furnish PAN, Nomination, contact details, bank account details and specimen signatures to the RTA. For this purpose, SEBI has prescribed Form ISR-1, 2 and 3 which are available on the websites of the Company and the RTA.

    In this connection SEBI has stipulated that dividend if any on such shares would be paid only in electronic mode with effect from 01-04-2024, and only an intimation would be sent to the shareholders who have not complied with the requirement.

    In this connection individual notices have been sent to the shareholders to submit the documents in the prescribed forms. It is requested that the specified documents/information are furnished early to avoid the above consequences.

GUIDANCE TO MEMBERS/SHAREHOLDERS FOR REMOTE E-VOTING

1. 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, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an arrangement with 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.

2. 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 i.e., from 4.45 PM (IST) to 5.15 PM (IST) 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. 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.

4. 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. 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.

5. In line with the Ministry of Corporate Affairs (MCA) Circulars, the Notice calling the AGM has been uploaded on the website of the Company at www.manalipetro.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 and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

6. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with relevent MCA Circulars.

7. In continuation to the Ministry's General Circulars Nos. 20/2020, 02/2022, 10/2022, 09/2023, 09/2024 and 03/2025 dated 05.05.2020, 05.05.2022, 28.12.2022, 25.09.2023, 19.09.2024 and 22.09.2025 respectively and after due examination, it has been decided to allow companies to conduct their AGMs through VC or OAVM for all upcoming years, until further notice in this regard, in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No. 20/2020 dated 05.05.2020.

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 Thursday, the 24th September 2026 at 9:00 AM (IST) and ends on Sunday, the 27th 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) 21st September 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 SEBI Listing 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 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 **CDSL Depository**	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & My Easi New (Token) Tab. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & My Easi New (Token) tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from an e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL Depository**	1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

Type of shareholders	Login Method
	3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. 4. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client ID, PAN, Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at 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 **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 099 11.
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at: 022-4886 7000 and 022-2499 7000.

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

v. Login method for e-Voting or joining virtual meetings and voting during the meeting 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.
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 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	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). • 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.
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

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 Manali Petrochemicals Limited [EVSN: 260902089] 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 and register themselves in the "Corporates" module.

SHAREHOLDERS INSTRUCTIONS FOR E-VOTING

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delinked 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 bchandraassociates@gmail.com and to the Company at the email address viz; companysecretary@manalipetro.com, 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. Members desirous of speaking at the meeting may register through the web portal of the RTA i.e. M/s Cameo Corporate Services Limited using the web-link: https://investors.cameoindia.com. The above facility for registration of speakers will be open from 9:00 AM (IST) on Monday, 21st September 2026 to 5:00 PM (IST) on Friday, 25th September 2026. It may please be noted that there will be no option for spot registration or through any other mode. **Only those shareholders who have registered through the above process will be able to speak at the meeting**.

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 cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

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), AADHAAR (self-attested scanned copy of Aadhaar 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 e-mail to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 099 11.

   All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Asst. Vice President, Central Depository Services (India) Limited (CDSL), A Wing, 25th Floor, Marathon Futurex, Mafatlal Mills Compound, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 099 11.

Directors' Report and Management Discussion & Analysis Report to the Shareholders

The Directors present their 40th Annual Report on the business and operations of your Company and the Audited Financial Statements for the year ended 31st March 2026.

Financial Results

The highlights of the financial results for the year are given below:

(₹ in crore)

Description	Standalone		Consolidated	
	2025-26	2024-25	**2025-26**	2024-25
Total Income	**821.73**	669.27	**1069.85**	921.63
Interest	**11.80**	9.33	**13.55**	10.45
Depreciation	**27.56**	23.59	**33.80**	27.09
Profit Before Tax	**42.14**	(9.77)	**150.45**	42.05
Provision for Taxation	**7.38**	(1.03)	**20.50**	12.74
(Loss)/Profit After Tax	**34.76**	(8.74)	**129.95**	29.31
Total Comprehensive Income	**34.60**	(8.87)	**195.61**	45.67

Operational Highlights

During FY 2025-26, your Company delivered a notable improvement in performance, with total income increasing to about ₹ 822 crore from ₹ 669 crore in the previous year, representing growth around 23%.

The year continued to be affected by competitive import-led pressure across key product segments. This affected domestic pricing and placed pressure on realisation and operating margins.

Despite these challenges, your Company remained focused on operational excellence, cost optimisation, product quality, and customer relationships. Continuous process improvements, energy conservation initiatives, and prudent cost management helped mitigate part of the impact arising from the unfavourable market environment.

Propylene Glycol sales volumes remained broadly in line with the previous financial year. In contrast, the Slabstock Polyol business recorded a decline in both sales volume and value. This was mainly due to competitive pricing pressure from imports, heightened competitive intensity, and fluctuations in raw material prices. These factors influenced customer procurement behaviour and market demand, resulting in lower sales realisation and additional pressure on profitability.

Overall, while market conditions remained difficult, your Company continued to strengthen its operational base. The focus remained on improving efficiency, expanding the product portfolio, building market presence, and investing in sustainable growth initiatives. These efforts support the Company's long-term operational resilience and strategic flexibility.

Capital Investments and Project Progress

During the year, the Company made additions to fixed assets aggregating ₹ 92.42 crore. Most of this expenditure was directed towards the procurement and installation of plant and equipment aimed at enhancing operational capability and capacity.

The Propylene Glycol Expansion Project was successfully commissioned on 3rd October 2025. This marked an important milestone in the Company's growth journey. Following commissioning, the Company also obtained the amended Drug Licence, enabling the sale of Propylene Glycol manufactured from the new facility for pharmaceutical applications.

The expanded capacity has significantly improved the Company's ability to serve rising domestic demand for pharmaceutical, food and fragrance grade Propylene Glycol. It has also enhanced production flexibility, supply reliability, and timely delivery to customers across diverse end-use industries.

This strategic expansion further strengthens the Company's position in the Indian Propylene Glycol market. It reduces dependence on imports, supports the Government of India's "Make in India" vision, and creates a stronger base for long-term growth and competitiveness.

Update on new manufacturing facility in Western India

During the year, your Company continued to make steady progress on the proposed manufacturing facility in western India, in line with its long-term growth and supply-chain strategy.

The Company has also achieved a key regulatory step by obtaining the Standard Terms of Reference (ToR) in August 2025 for the proposed expansion project. Based on this and other statutory requirements, the Company is actively pursuing fresh Environmental Clearance and Consent to Establish for the proposed facility.

The Company obtained the required assurance letters for essential infrastructure and utilities. The Gujarat Pollution Control Board has already issued the indicative Consent to Establish, and the Company is pursuing the final Environmental Clearance and Consent to Establish for the proposed facility and expects to receive the approval by end of September 2026. In parallel, the Company has obtained Building Plan Approval from the Gujarat Industrial Development Corporation, which is a prerequisite for plan approval from the Chief Inspector of Factories.

On the engineering front, the Basic Engineering package has been completed. Detailed engineering for civil and structural works has also been completed, while detailed engineering for plant and machinery is progressing as planned.

Geotechnical soil investigation studies and contour mapping of the project site have been completed, and site development activities such as land levelling and ground consolidation are currently in progress. These activities are laying the foundation for the commencement of major civil works.

The project continues to progress in line with the planned execution schedule, with statutory approvals, engineering activities, and site development advancing in parallel. The Company remains focused on timely implementation of this strategic project.

Financial Review

During the Financial Year 2025-26, the finance cost has increased to ₹ 11.80 crore from ₹ 9.33 crore in FY 2024-25. The finance cost on lease decreased to ₹ 7.01 crore in FY 2025-26 from ₹ 7.13 crore in FY 2024-25. The actual interest and related payout for the year was ₹ 4.80 crore (including term loan interest of ₹ 1.39 crore) against ₹ 2.19 crore in previous year.

The capital expenditure for various projects are being/will be met from internal sources/borrowing from banks. As on 31st March 2026, long term debt of ₹ 34.52 crore was availed from sanctioned facilities.

Credit Rating

During February 2026, Care Ratings Limited re-affirmed the ratings for banking facilities aggregating to ₹ 125 crore. For long term bank facilities of ₹ 75 crore, the rating has been reaffirmed at CARE A+; Stable (Single A Plus; Outlook: Stable) and CARE A+; Stable / CARE A1+ (A One Plus) for short-term bank facilities of ₹ 50 crore.

Dividend

Your Company has a consistent dividend track record of 20 years till the last year and follows a consistent dividend policy to ensure that dividend payments are sustained even when the earnings are relatively lower. In this regard, parameters for distribution of dividend have been outlined in the Dividend Distribution Policy approved by the Board, pursuant to Regulation 43A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended ("the Regulations"). The policy can be accessed on the website of the Company in the link: https://www.manalipetro.com/investors/policies/

As regards the distribution for the year under review, to determine the amount that could be paid out to the shareholders as dividend, the Directors have followed the guidelines enumerated in the said policy and also considered other relevant key factors such as profitability for the year, planned capital expenditure, plans for long-term deployment of the funds, sustenance of the sales, pricing & margins and volatile market conditions.

Considering all these developments, your Directors are happy to recommend a dividend of 10% i.e., fifty paise per equity share of ₹ 5/- each fully paid-up, for the financial year 2025-26, aggregating to ₹ 8.60 crore, subject to applicable withholding tax.

Industry Structure and Development

Your Company operates in the Polyurethanes (PU) industry which is among the most versatile polymer materials used across a wide range of industries. They are produced by reacting liquid raw materials such as polyols and isocyanates to create materials that can be tailored to different shapes, densities, and performance requirements.

Their versatility allows them to substitute traditional materials such as wood, metal, and rubber in several applications. PU can be engineered to resist water, oil, heat, weathering, pressure, and temperature variation, making them suitable for both industrial and consumer applications.

These materials are widely used in flexible foam for mattresses, furniture, and seating systems, where they provide comfort and support. They also play an important role in rigid insulation panels for buildings, refrigeration equipment, and cold-chain applications, where thermal efficiency contributes meaningfully to energy conservation.

In the automotive sector, PU are used in seating, bumpers, interior components, and coatings, helping improve comfort, aesthetics, durability, and fuel efficiency through lightweighting. They are also used extensively in footwear, electronics, adhesives, sealants, marine coatings, industrial rollers, and several specialty applications where durability, protection, and processing flexibility are essential.

The lightweight nature of polyurethane materials helps reduce logistics costs, while their durability contributes to longer product life and lower waste generation. The industry is also witnessing growing interest in bio-based inputs and recycling solutions, which are expected to support more sustainable product development in the years ahead.

PU has therefore emerged as a foundational material of modern manufacturing. Its continued relevance across comfort, mobility, infrastructure, energy efficiency, and industrial performance makes it a key enabler of innovation in contemporary life.

Global PU Market and Outlook

The global polyurethane market in 2025-26 is estimated at around USD 90-95 billion, with demand remaining steady across major application segments such as flexible foam, construction insulation, automotive interiors, footwear, appliances, and industrial coatings. Flexible foam continues to represent the largest application segment, followed by rigid foam used in insulation and refrigeration.

Over the next five years, the global polyurethane market is expected to expand at a CAGR of around 5-6%, reaching approximately USD 115-125 billion by 2031. Growth is expected to be supported by rising demand for construction insulation, automotive lightweighting, premium bedding and furniture, footwear, coatings, and energy-efficient building materials.

Rigid foam is expected to remain a strong growth area, supported by increasing focus on thermal insulation and energy conservation. Flexible foam demand is also expected to remain healthy, driven by population growth, rising living standards, and higher spending on comfort-oriented products.

Specialty polyurethane systems, bio-based polyols, and high-performance elastomers are also expected to contribute to the market's expansion. Overall, the industry outlook remains positive, supported by broad-based demand, stable supply conditions, and PU's continued relevance in applications requiring durability, comfort, and efficiency.

Indian PU Market and Outlook

The Indian PU market in 2025-26 is estimated at around USD 5.5-6.0 billion. Demand remains strong across flexible foam used in furniture and bedding, footwear, automotive seating, and construction insulation, while rigid foam demand is being supported by cold-chain expansion, appliance manufacturing, and rising interest in energy-efficient building materials.

The automotive segment has recorded strong growth during the year and is expected to maintain momentum, supported by electric vehicle adoption, the Vehicle Scrappage Policy, and improving consumer purchasing power. Supply conditions remained broadly stable during the year, supported by domestic production as well as steady imports from Asian markets.

Over the next five years, India's polyurethane market is expected to grow at an estimated CAGR of 7-8%, reaching around USD 8-9 billion by 2030-31. This growth is likely to be driven by urbanisation, increased spending on comfort products, expansion of the footwear industry, higher automotive production, and increased use of insulation in construction and refrigeration.

Specialty polyurethane systems and formulated polyols are expected to gain increasing relevance as customers seek better performance, more consistent quality, and easier processing. India therefore continues to remain a structurally attractive growth market for polyurethane over the medium term.

Products of MPL

Your Company manufactures Propylene Oxide, Propylene Glycol, Polyether Polyols, Polyester Polyols, and a range of formulated systems. Your Company is the first Indian manufacturer of Propylene Oxide, a critical intermediate used in the production of Propylene Glycol, Polyols, and several downstream derivatives.

The Company is the only domestic manufacturer of Propylene Glycol, giving it an important strategic presence in the Indian market. Its integrated polyol capabilities further strengthen reliability, quality, and supply security across the polyurethane value chain.

Propylene Glycol (PG):

PG is produced by reacting Propylene Oxide with water, yielding PG along with smaller quantities of Di-Propylene Glycol and Tri-Propylene Glycol. Each of these products has distinct industrial applications, thereby enhancing the value of the overall product portfolio.

PG is known for its stability, low toxicity, and compatibility with water and several solvents. High-purity pharmaceutical, food, and fragrance grades are widely used in medicines, food processing, cosmetics, personal care, flavours, and fragrances, while other grades support applications in paints, coatings, and polymer resins.

Your Company supplies food and pharmaceutical grades of PG, helping domestic industries reduce dependence on imports while ensuring a reliable supply of a key solvent, humectant, and carrier material. The Company does not manufacture lower-purity industrial grades.

PG also finds application in carbonless paper, brake fluids, coolants, and specialty polymer systems. Its co-products, DPG and TPG, further add value through their use as solvents and preservatives in food, flavour, and fragrance applications.

The expanded PG capacity creates a significant opportunity for the Company to strengthen its position in the Indian market and pursue export opportunities in a calibrated manner. The product is EU REACH compliant, Kosher and Halal certified, and FSSAI approved, thereby widening its potential access to international markets.

Alongside PG and its co-products, the Company also manufactures Propylene Glycol Mono Methyl Ether (PGMME), a cleaner and high-solvency glycol ether that is gaining relevance in paints, coatings, and electronics as customers increasingly prefer safer and more environmentally compatible solvent systems.

Polyols

Polyols are among the Company's most important product groups. These liquid materials contain multiple reactive hydroxyl groups, which enable them to react with isocyanates to form polyurethane and largely determine whether the end product becomes soft, flexible, rigid, or tough.

Polyols may be classified by the number of hydroxyl groups they contain or by the nature of their chemical backbone. Within the broader market, polyether polyols and polyester polyols represent the two principal product families, while polycarbonate polyols, hydroxy-terminated polybutadiene, and bio-based polyols serve more specialised applications.

Your Company has the capability to manufacture both major categories, namely polyether polyols and polyester polyols. This gives the Company a broader presence across the polyurethane value chain and enables participation in both large-volume and specialised application areas.

Polyether Polyols

Polyether polyols are the most widely used polyols in the polyurethane industry and account for an estimated 70-75% of global polyol consumption.

They are used extensively in flexible foam, rigid foam, and CASE applications comprising coatings, adhesives, sealants, and elastomers.

Flexible foam used in furniture, bedding, and automotive seating represents the largest end-use segment for polyether polyols, followed by rigid foam used in insulation panels, appliances, and construction. Your Company produces flexible slabstock polyols and high-resilience polyether polyols used in automotive seating.

The Indian slabstock polyol market is estimated at around 250 KTA, while demand for High Resilience (HR) polyols is about 70 KTA. In rigid foam applications, your Company can manufacture a wide range of grades with varying functionality and molecular weight, which strengthens its position in the insulation systems market.

Footwear remains the largest polyurethane application segment in India, with polyol demand estimated at around 150 KTPA, and your Company manufactures the base polyols required for this sector. In specialty applications, the market for Polypropylene glycol (PPG) diols and related formulated versions is estimated at around 120-150 KTPA, and your Company can produce the relevant grades, including elastomer-oriented formulated polyols.

Your Company currently has total polyether polyol capacity of about 46 KTPA. This positions it to participate across a broad range of end-use segments while supporting future growth in value-added and system-based applications.

Polyester Polyols

Polyester polyols represent the second major category of polyols and account for around 20-25% of the global polyol market. They are typically used in applications requiring higher strength, chemical resistance, and durability.

Key applications include footwear soles, industrial coatings, adhesives, elastomers, automotive parts, and PIR insulation foam. Demand for polyester polyols is rising in segments that require tougher material properties and better thermal performance. Although their relatively higher viscosity and lower hydrolytic stability may limit usage in certain applications, polyester polyols continue to hold importance in several high-performance sectors. Your Company has the capability to produce around 2,400-2,600 MTPA of polyester polyols.

Formulated Polyols

Formulated polyols are another important segment of the polyurethane value chain. These are ready-to-use blends in which base polyols are combined with additives such as catalysts, surfactants, blowing agents, and stabilisers, enabling customers to process them without developing in-house formulation expertise.

This segment is particularly important for customers who do not have dedicated R&D capabilities, as formulated polyol suppliers offer application-specific know-how and therefore earn a premium over base polyols. These systems are widely used in flexible foam, rigid foam, footwear, adhesives, sealants, elastomers, and other specialty applications.

Demand for formulated polyols is increasing as customers seek simpler operations, lower formulation risk, and faster production cycles. As PU use expands in insulation, mobility, comfort products, and industrial materials, formulated polyols are becoming increasingly important in delivering consistent and application-specific performance.

Your Company is increasing its focus on this segment and has developed several advanced formulated polyols. For instance, its PIR grades meet evolving fire-rating requirements and have already been approved by customers, while its low-density CCM systems have also been well received in the market.

Through continuous innovation, dependable supply, and a commitment to reducing India's reliance on imported specialty chemicals, your Company continues to position itself as a strategic partner to both established and emerging industries. Its expanding product portfolio, spanning core materials and more environmentally responsible derivatives, strengthens your Company's place in India's evolving chemical manufacturing landscape.

Current Market Scenario

The global polyurethane market remained broadly steady during the last quarter despite geopolitical tensions, although demand witnessed a mild slowdown across parts of the industry. The West Asia conflict affected feedstock availability, disrupted shipping routes, and increased freight and insurance costs, leading to temporary price increases even though there were no major supply shortages.

These elevated prices caused some downstream manufacturers to moderate purchases in anticipation of a stabilisation in the geopolitical situation. As a result, market conditions remained volatile and difficult to predict during the period under review.

In India, demand remained healthy across flexible foam, footwear, automotive interiors, and insulation materials, barring a brief period of disruption. While supply conditions were generally comfortable due to consistent imports from Asia, the West Asia conflict caused temporary disruption in supplies and constrained the availability of key base raw materials for the Company. The Company took appropriate measures to navigate these challenges and maintain operational continuity.

These actions, together with selective market participation, contributed positively to the bottom line. Nevertheless, despite growing downstream polyurethane demand, India continues to remain significantly dependent on imports for key raw materials such as Polyols and PG.

Your Company remains the only domestic manufacturer of PG and a significant producer of several polyol grades. However, low-priced imports and intense price competition continue to affect the pace of capacity utilisation and participation in certain product segments.

The Company is also the first and only manufacturer to have obtained BIS certification for both Propylene Glycol and Polyol. In parallel, it continues to work with the Government on Quality Control Orders for these products, which could help regulate the market and reduce heavy dumping of imports.

On the polyol front, the Company has produced and qualified DMC-based slab and PPG polyols using more advanced process technology.

The Company intends to use the DMC route to compete more effectively in cost-sensitive slab and high-purity PPG segments. Its participation in the slab market is expected to remain selective and opportunity-led, with flexibility to divert raw materials and capacity toward higher-value systems markets where returns are more attractive.

Opportunities, Threats and Way Forward

The polyurethane industry continues to offer strong growth prospects both in India and globally. Demand is expanding because polyurethane remains a highly versatile material used across construction, automotive, appliances, footwear, comfort products, and lifestyle applications, while newer specialty grades and system-based solutions are opening higher-value opportunities.

India also remains an under-penetrated market in per-capita polyurethane usage, suggesting significant long-term growth potential. At the same time, the Company continues to face pressure from low-priced imports, particularly in more commoditised product categories such as slabstock polyols and PG.

Global oversupply, weak international demand, and geopolitical disruption have contributed to surplus import inflows into India, resulting in pressure on domestic realisations and margins.

In response, the Company is shifting its focus from commodity products to specialised and higher-value segments. Through stronger R&D and closer customer engagement, it is developing system-based polyurethane solutions for niche applications, and progress during FY 2025-26 has been encouraging, with volumes in the differentiated polyurethane systems showing strong growth.

This strategic shift has contributed to an improvement in the bottom line despite the absence of major policy support or favourable market conditions. The systems business offers more stable pricing, customised solutions, and deeper customer relationships, and the Company believes this direction can support sustainable performance over the coming years.

Cost and Efficiency Measures

The Company continues to pursue structural cost improvements through greater renewable energy usage, energy-efficient utilities, and process optimisation. At the same time, supply-chain and market-facing strategies have been implemented to support profitability and cash flow.

Optimisation of raw material sourcing, improvement in credit terms, and increased participation in higher-margin segments have helped offset part of the pressure arising from imports. The Company believes that long-term competitiveness will be driven by innovation, operational efficiency, and a diversified product portfolio.

Accordingly, the strategic focus remains on innovation, efficiency, and higher-value product mix.

Risk Management Policy and Process

The Company has established a structured framework for addressing business risk management issues. A risk management plan has been framed, implemented and monitored by the Board through the Risk Management Committee of Directors (RMC).

The Company has two employee-level Committees viz., a Sub-Committee and an Apex Committee, headed by the Managing Director & CEO - MPL Group to review and assess the risks that could affect the Company's business. The Sub-Committee brings out the matters that could affect the operations, and the Apex Committee determines the issues that could become business risks.

The mitigation actions are also suggested by the Committees and the report of the Head of the Apex Committee is submitted to the RMC. The RMC meets periodically, reviews the reports, recommends and monitors actions to be taken in this regard.

The Risk Management Committee constituted by the Board fulfils the requirements as specified in Regulation 21 of the SEBI Listing Regulations, 2015. The details of the composition of the Committee, meetings and other relevant information are furnished in the Corporate Governance Report (CGR) annexed to this Report.

As per the amended Regulations, a Risk Management Policy has been framed, and the roles and responsibilities of the Committee are as prescribed under the Regulations. As required under Section 177 of the Act, the Audit Committee also reviews the risk management process periodically.

Risks and concern

The Indian PU industry continues to rely heavily on imported raw materials, particularly polyols and propylene glycol. Although the Company serves a meaningful share of domestic PU demand, the industry remains exposed to intense competition from multinational manufacturers and low-cost imports.

Several global suppliers have established storage and distribution facilities at key Indian ports. This enables them to serve customers directly, with shorter lead times and greater pricing flexibility. As a result, domestic manufacturers continue to face pressure on market share and profitability.

In the absence of adequate trade protection measures such as anti-dumping or safeguard duties, international players continue to use their scale, integrated supply chains, and cost efficiencies to adopt aggressive pricing strategies.

The competitive environment may become more challenging if multinational companies enter strategic partnerships with Indian refiners to establish domestic manufacturing capabilities for polyols and related products. If such developments occur without corresponding growth in domestic demand, the industry could face excess capacity, deeper price competition, and further pressure on operating margins.

The global PU raw material market also remains highly concentrated. A limited number of multinational producers control a major share of global capacity. This concentration gives them significant influence over pricing, supply availability, and market dynamics, thereby limiting the flexibility and negotiating power of domestic manufacturers.

The operating environment is also being shaped by evolving environmental regulations approval processes and stakeholder expectations may affect project timelines, capital expenditure and operating costs. The Company monitors regulatory developments and undertakes technical assessments to support compliance planning, sustainable operations and long-term environmental performance.

Mandatory adoption of Zero Liquid Discharge systems may not be technically or economically viable across all chemical manufacturing processes, particularly for facilities designed around regulated marine discharge systems. Such requirements may involve substantial capital investment and operational complexity without always delivering proportionate environmental benefit.

Against this backdrop, your Company's ability to expand upstream feedstock capacities remains subject to regulatory and market-related constraints. This may increase long-term dependence on imported raw materials and expose the Company to supply chain disruptions, foreign exchange volatility, and reduced pricing flexibility.

Nevertheless, the Company continues to pursue strategic initiatives focused on operational efficiency, product diversification, technology adoption, and sustainable manufacturing practices. These measures are intended to strengthen its competitive position and support long-term value creation.

Your Company remains firmly committed to environmental stewardship and sustainable growth. As part of this commitment, it had engaged CSIR–NEERI to assess the technical and economic feasibility of implementing partial or full Zero Liquid Discharge systems.

The findings of the study were received in August 2026 and it suggested the implementation of a partial Zero Liquid Discharge (ZLD) system using High-Pressure Reverse Osmosis (HPRO) technology. Implementation will be subject to receipt of the necessary regulatory approvals. The Company proposes to undertake the required investments in a phased manner, in line with applicable statutory requirements.

On the operational front, your Company continues to engage constructively with the Government of Tamil Nadu regarding the renewal of the lease for Plant-2, which expired in 2017. The renewal application was submitted well in advance of the expiry, and the Company has continued to honour its obligations by remitting lease payments regularly in good faith. Discussions with the concerned authorities are progressing positively, and your Company remains optimistic of an early resolution.

Your Company continues to operate in an increasingly competitive and highly regulated business environment, with market volatility, evolving environmental regulations, and raw material supply uncertainties remaining key business risks. Nevertheless, the Company's continued emphasis on operational excellence, cost optimization, sustainability, product innovation, capacity enhancement, and strategic partnerships strengthens its ability to mitigate these risks, capitalize on emerging opportunities, and create sustainable long-term value for all stakeholders.

The upgraded bio-based effluent treatment systems continue to meet all prescribed marine discharge standards. This reaffirms the Company's commitment to responsible environmental management. At the same time, the Company continues to monitor advances in wastewater treatment technologies and global best practices to enhance resilience and maintain compliance.

Global Economic Outlook

The global economy continues to move through a phase of slow but steady growth. Inflation has moderated in most major markets and supply chains have largely stabilised, although the pace of recovery remains uneven due to geopolitical tensions, elevated borrowing costs, and weak demand in certain regions.

The United States has shown relative resilience, Europe continues to face subdued industrial activity, and China's growth remains stable though below historical levels. Overall, global growth is expected to remain modest, supported by services, construction, and selective recovery in manufacturing.

Indian Economic Outlook

India continues to remain one of the fastest-growing major economies. Domestic consumption, Government-led infrastructure spending, and strong manufacturing activity continue to support growth, while sectors such as construction, automotive, FMCG, and real estate remain healthy.

Exports are also expected to improve gradually as global conditions stabilise. With inflation largely under control and investment sentiment remaining positive, India is expected to maintain stable growth over the next year, supported by urbanisation, capital expenditure momentum, and rising demand across both consumer and industrial sectors.

Subsidiaries

As on 31st March 2026, the Company has two Wholly Owned Subsidiaries (WOS) and two Wholly Owned Step-Down Subsidiaries (WOSDS). The financials of all these subsidiaries have been consolidated as applicable and the financial and other information have been furnished in the Consolidated Financial Statement (CFS) attached to this Report.

AMCHEM, Singapore

AMCHEM Speciality Chemicals Private Limited, Singapore, set-up by the Company in 2015-16, to expand its global footprint, holds the foreign assets of the Company. Your Company had invested in 2015-16 US$ 16.42 million (equivalent to ₹ 110.32 crore) in the WOS to part fund the acquisition of Notedome Limited, UK and also for further exploratory work. During the year 2016-17 the WOS set up AMCHEM Speciality Chemicals UK Limited (AMCHEM, UK) as its WOS which acquired an operating unit namely Notedome Limited, UK.

Your Company made further investment of US$ 35 million (equivalent to about ₹ 288 crore) during November 2022. With this, the aggregate investment in the subsidiary is US$ 51.42 million (equivalent to about ₹ 398 crore). Based on the Consolidated Turnover of MPL for FY 2024-25, AMCHEM, Singapore is a material subsidiary of your Company for FY 2025-26.

For FY 2025-26, the total income of AMCHEM, Singapore was US$ 15.28 million (equivalent to ₹ 134.94 crore) and the profit for the year was US $ 12.94 million (equivalent to ₹ 114.29 crore). AMCHEM, Singapore continues to explore further opportunities for acquisition of overseas facilities for enhancing Company's global presence, and also has interests in trading, transaction facilitations, business and project consultancy. The details of each of the investment made in step-down subsidiaries have been covered separately.

Note: AMCHEM recognised a capital gain of USD 11.30 million on the divestment of Notedome Limited, UK. However, for the purpose of the consolidated financial statements, the goodwill recognised at the consolidated level, expenditure incurred in connection with the divestment, and the net assets of Notedome as at the date of sale were adjusted against the sale consideration. Accordingly, any excess gain recognised by AMCHEM, Singapore in its standalone financial statements was eliminated on consolidation.

NOTEDOME LIMITED, UK

Notedome, established in 1979, is a System House with more than 30 years' experience, manufacturing Neuthane Polyurethane Cast Elastomers catering to customers across 45 countries. Neuthane polyurethanes are used in diverse range of industries and applications, in the automotive sector for antiroll bar, suspension and shock bushes for buses, trucks and other high-performance vehicles, limit or bump stops, material handling etc. and in the agriculture sector for Rollers, Harvester components and idler wheels on track laying tractors.

Sale of Notedome Limited, UK

During October 2025, AMCHEM, Singapore approved the sale of Notedome Limited, UK along with its subsidiary Notedome Europe GmbH. Accordingly, after obtaining necessary approvals from the Board and Shareholders of MPL (Ultimate Holding Company) on 15th October 2025 and 14th November 2025 respectively, the entire stake held in Notedome Limited, UK was sold by AMCHEM, Singapore to C.O.I.M. S.p.A. – Chimica Organica Industriale Milanese (COIM) (Buyer) on 17th November 2025 on receipt of entire consideration for the sale. Accordingly, Notedome Limited, UK and its subsidiary ceased to be wholly owned step-down subsidiaries of the Company with effect from 17th November 2025.

For the period from 1st April, 2025 to the date of sale of Subsidiary i.e. 17th November 2025, Notedome recorded a revenue of £ 6.13 million (equivalent to ₹ 72.60 crore) and profit of £ 1.33 million (equivalent to ₹ 15.75 crore).

PENNWHITE LIMITED, UK

Your Company, through its WOS AMCHEM, Singapore acquired Penn Globe Limited, UK (PGL) on 30th November 2022 by acquiring its entire stake (100%) for a consideration of GBP 24.98 million. With this acquisition by AMCHEM, Singapore, PGL along with its two subsidiaries in UK viz., PennWhite Limited (PWL) and PennWhite Print Solutions Limited (PPSL) have become wholly owned step-down subsidiaries of the Company. Based on the Consolidated Turnover of MPL for FY 2024-25, PennWhite Limited, UK is a material subsidiary of your Company for FY 2025-26.

PennWhite Limited, UK is a leading manufacturer of antifoam chemistry under the FoamDoctor® brand which is sold in more than 40 countries. A wide range of other speciality chemicals are also manufactured to service the needs of long-term customers in a wide range of applications, like food and food processing, wastewater treatment, upstream and downstream oil, and increasingly in the coatings and adhesives industry.

During the year under review, the Company maintained stability in both turnover and EBITDA compared to the previous year. Despite ongoing challenges in global markets, it maintained healthy margins, strengthened its presence in key markets, and continued to invest strategically in sales and marketing initiatives, including the recruitment of additional commercial personnel. The Company remains committed to systematically executing its long-term growth strategy.

To support the enhancement of its innovative product portfolio, the Company expanded its development activities and committed additional resources for laboratory equipment and capabilities. With growing demand in its two primary focus areas viz., food & beverage, and wastewater & recycling, the long-term market outlook remains positive, underpinned by an increasing emphasis on sustainability.

The revenue for PennWhite Limited, UK for the reporting period was £ 13.61 million (equivalent to ₹ 161.23 crore) and profit was £ 2.19 million (equivalent to ₹ 25.99 crore).

Update on Subsidiaries restoration

During the year, Penn Globe Limited was reinstated for the limited purpose of facilitating an application for the reinstatement of its subsidiary, PennWhite Print Solutions Limited, in connection with the receipt and distribution of Corporation Tax refunds due to the latter. Upon completion of this limited purpose, the relevant voluntary strike-off applications will be made to Companies House, in accordance with applicable law.

Indian Subsidiaries

PennWhite India Private Limited

Subsequent to the close of FY 2025–26, the Company successfully inaugurated its new manufacturing facility in Oragadam, Kancheepuram, Tamil Nadu, in April 2026. The facility has commenced production and is expected to provide a strong platform for future growth in India and the wider Asia-Pacific region.

The revenue for PennWhite India for the reporting period was ₹ 3.43 crore and loss incurred was ₹ 4.95 crore.

Manali Speciality Private Limited

During June 2023, your Company had incorporated a wholly owned subsidiary in India viz., Manali Speciality Private Limited, primarily engaged in the business of Speciality Chemicals. The Company is in the process of setting up its business and is yet to commence its business operations.

Environment and Safety

Your Company remains committed to environmental sustainability, occupational health and safety, and quality excellence through robust management systems and continuous improvement. Dedicated in-house teams and internal committees continue to ensure compliance with all applicable legal requirements and industry standards.

Your Company continues to maintain ISO 9001:2015 (Quality Management Systems) and ISO 14001:2015 (Environmental Management Systems) certifications. During the year, the management systems were further strengthened through ISO 45001:2018 certification for Occupational Health and Safety, FSSC 22000 Version 6 certification for Propylene Glycol, Kosher certification for Propylene Glycol, and ISCC PLUS certification.

These certifications reflect the Company's commitment to quality, food safety, occupational health and safety, sustainability, and international best practices. All certifications are subject to periodic internal audits, external surveillance audits, and management reviews to ensure continued compliance and improvement.

Both Plant-1 and Plant-2 now operate entirely on R-LNG, replacing conventional fossil fuels. This transition has significantly reduced air emissions and strengthened the Company's alignment with environmental regulations and low-carbon initiatives.

The Company has further strengthened its environmental governance framework through the digitalisation of environmental monitoring systems. Real-time monitoring of key water and air quality parameters has been integrated with the online monitoring platforms of the State Pollution Control Board and the Central Pollution Control Board.

This digital integration enables continuous and transparent sharing of environmental data with regulatory authorities. It improves compliance, enhances operational accountability, and reflects the Company's commitment to responsible environmental management and digital sustainability practices.

In line with its long-term decarbonisation strategy, the Company successfully transitioned both Plant-1 and Plant-2 to Regasified Liquefied Natural Gas as the exclusive thermal energy source. The installation of Low NOx burners with latest technology has substantially reduced greenhouse gas emissions while improving combustion efficiency and supporting climate commitments.

As a result of these initiatives and continued regulatory compliance, the renewed Consent to Operate has been granted for Plant-1 until March 2027 and for Plant-2 until March 2030.

The Company's long-term renewable energy arrangements under the Group Captive Power Scheme have begun to deliver meaningful results. During the year, renewable energy accounted for 58% of total power consumption against the contracted target of 68%. The shortfall was mainly due to adverse weather conditions in the Tuticorin region during the third quarter, which affected generation from the hybrid renewable energy facilities. Even so, the initiative has reduced dependence on conventional energy sources and reinforced the Company's transition towards cleaner operations. As the assets stabilise, the Company expects to move closer to the contracted contribution in the coming years.

The Company has also installed rooftop solar systems at Plant-1 and floating solar panels on its water reservoirs as part of its renewable energy programme. The rooftop solar installation has been commissioned, while the floating solar project is awaiting statutory approvals. Once fully operational, these projects are expected to contribute around 4% of the Company's total energy consumption from renewable sources.

During the year, the Company received the Certificate of Merit from the Bureau of Energy Efficiency (BEE) in the petrochemical category for its performance in energy conservation and efficient energy management. This recognition reflects the Company's sustained efforts in process optimisation, adoption of cleaner energy sources, and energy efficiency improvements.

Through cleaner fuels, renewable energy, and energy-efficient technologies, the Company achieved an annual reduction of approximately 55,000 tonnes of CO_2 equivalent. This outcome was supported by multiple energy conservation initiatives across the plants and reflects the Company's continued commitment to reducing its carbon footprint.

To strengthen food safety standards in Propylene Glycol filling operations, the Company invested in an automatic filling station integrated with GMP requirements. The facility includes a controlled clean-room environment with an advanced HVAC system to support hygiene, product quality, and contamination control.

This investment enhances operational efficiency and product integrity while supporting compliance with the revised Schedule M requirements under the Drugs and Cosmetics Rules. It also reinforces the Company's commitment to quality, regulatory compliance, and customer satisfaction.

In continuation of its traceability initiatives, the Company introduced QR codes on all Propylene Glycol Pharma Grade barrels. This digital system enables end-to-end traceability up to the final customer, strengthens product authenticity, reduces the risk of counterfeiting and pilferage, and improves supply chain transparency.

Customers can scan the QR code to access important product information, including the Certificate of Analysis, sampling procedures, handling guidelines, and other technical details. This initiative further strengthens customer confidence and supports the Company's digital transformation agenda.

As part of its biodiversity conservation and carbon sequestration efforts, the Company has developed and maintained more than 19 hectares of green belt comprising around 30,000 saplings of 33 native tree species over the last three years. These plantations support local biodiversity and contribute to carbon sequestration. During the last financial year, it sequestered approximately 2,500 MT of CO_2, and its contribution is expected to grow as the plantations mature.

The safety of employees, contractors, visitors, assets, and operations remains the Company's foremost priority. This commitment is supported by continuous training, employee engagement, regular awareness programmes, and ongoing improvements to safety management systems. The Company continues to strengthen its safety culture through training, employee engagement, awareness programmes, and the use of a dedicated Safety Park as an interactive learning centre for safe work practices, hazard identification, emergency response, and PPE discipline.

Audit Committee

The details about the Committee are furnished in the Corporate Governance Report (CGR). All the recommendations of the Committee were accepted by the Board.

Vigil Mechanism

As required under Section 177 of the Act and Regulation 22 of the SEBI Listing Regulations 2015, the Company has established a vigil mechanism for directors and employees to report their genuine concerns through the Whistle Blower Policy as available on the website of the Company. As prescribed under the Act and the SEBI Listing Regulations 2015, provision has been made for direct access to the Chairperson of the Audit Committee in appropriate/exceptional cases.

Human Resources

Your Company believes that its people are its greatest strength and remains committed to building an engaging, inclusive, and high-performance workplace. During the year, continued emphasis was placed on leadership development, employee engagement, continuous learning, innovation, diversity, and employee wellbeing.

To strengthen employee engagement and promote transparent communication, the Company introduced a leadership interaction platform that enables employees to engage directly with the top management. The initiative provides an open forum for employees to share ideas, discuss opportunities and challenges, seek guidance, and gain valuable insights from the Company's leadership, thereby reinforcing a culture of openness, collaboration, and mutual trust.

The Company continued to foster innovation through IGNITE, its strategic platform designed to encourage experimentation, research, and creative problem-solving among young engineers. Building on the success of the earlier programme, IGNITE 2.0 was launched during the year with the participation of young engineers supported by experienced mentors, enabling them to contribute to key business projects, demonstrate technical capability, and develop innovative solutions aligned with organisational growth.

Recognising that continuous learning is critical to long-term excellence, the Company continued its LEAD programme (Learn, Enhance and Aspire to Develop) to promote cross-functional learning and internal capability building. During the year, multiple knowledge-sharing sessions were conducted on topics including Prevention of Sexual Harassment (POSH), Internal Auditor Training, National Pension System (NPS) awareness, Good Manufacturing Practices (GMP), and other technical and operational subjects, strengthening employee competencies and encouraging a collaborative learning culture.

To deepen industrial knowledge and exposure to best practices, the Company organised industrial visits to leading chemical and engineering organisations. Around 20 engineers participated in these visits and gained first-hand exposure to advanced technologies, operational excellence, and industry practices, thereby enhancing their technical and professional capabilities.

The Company remains committed to building a diverse and inclusive workplace where talent is recognised and nurtured irrespective of gender. Women professionals are actively encouraged to take on leadership roles across functions, including core technical and operational areas, and, as part of the Company's succession planning process, high-potential young women professionals have been identified and entrusted with critical technical projects and strategic assignments to strengthen the leadership pipeline for the future.

Employee health and wellbeing continued to remain an important priority during the year. Through the SHFT programme (Session on Health & Fitness Training), the Company regularly conducted wellness sessions led by qualified medical professionals and subject matter experts, covering areas such as prevention of seasonal infections, healthy eating habits, stress management, personal hygiene, and overall physical and mental wellbeing, while also encouraging employees to make use of the on-site fitness centre.

The Company also continued to implement various cultural, behavioural, and employee-engagement initiatives aimed at strengthening teamwork, collaboration, participation, and inclusiveness in the workplace. These initiatives have supported open communication, reinforced organisational values, and enhanced employee commitment and belongingness.

Industrial relations during the year remained cordial and constructive. A long-standing wage dispute originating in 2001, which was previously heard by the Hon'ble Supreme Court and is presently pending before the Hon'ble Madras High Court, continues to involve a small group of workmen; following constructive dialogue, the majority of workmen had accepted the Management's settlement proposal, while the remaining claims continue to be subject to judicial proceedings.

As on March 31, 2026, the Company employed 337 people across its various locations, comprising Executive Directors, Senior Management Personnel, Engineers, Technicians, and Trainees. The Company remains committed to attracting, developing, and retaining talent while fostering a culture of excellence, innovation, safety, and sustainable growth.

Related Party Transactions

During the year under review, the Company did not enter any related party transaction that was not in the ordinary course of business and on an arm's length basis within the meaning of Section 188 of the Act. During the year, board has reviewed and amended the policy on related party transaction which is available on the website of the Company viz., https://www.manalipetro.com/wp-content/uploads/2026/04/RPT-Policy-2026.pdf

As required under Regulation 23(4) of the SEBI Listing Regulations 2015, approval of the Members was obtained for transactions with Tamilnadu Petroproducts Limited during the year 2025-26 at the 39th Annual General Meeting.

The approval proposed at the ensuing AGM is intended to remain valid until the date of the next Annual General Meeting, in accordance with the applicable provisions of the SEBI Listing Regulations, 2015.

Board of Directors and related disclosures

As on date of the Report, the Board comprises twelve directors including three woman directors. There are six Independent Directors including one Woman Independent Director, and all of them have furnished necessary declaration under Section 149(7) of the Act and under Regulation 25(8) of the Regulations. As per the said declarations, they meet the criteria of independence as provided in Section 149(6) of the Act and the SEBI Listing Regulations 2015. All of them have confirmed that they have registered themselves with the Indian Institute of Corporate Affairs under Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended and all of them have been exempted from or passed the proficiency test.

The Board met seven times during the year under review and the relevant details are furnished in the CGR. The Board has approved a Remuneration Policy as recommended by the Nomination and Remuneration Committee (NRC), which *inter alia* contains the criteria for determining the positive attributes and independence of a director as formulated by the NRC. The policy on remuneration to directors is disclosed in the CGR annexed to this Report.

The following changes took place in the composition of the Board and KMPs since the last AGM held on 16th September 2025 until the date of this report:

a. Mr. Anand Raghavan (DIN: 00243485) was appointed as an Additional Director under Non-Executive Independent category for a period of five years with effect from 03rd October 2025. The said appointment was regularised by the members via Postal Ballot process.

b. Ms. K Lalitha, Chief Financial Officer resigned with effect from 03rd October 2025.

c. Ms. Srishti M Bathija was appointed as Chief Financial Officer – MPL Group with effect from 03rd October 2025.

d. Mr. T K Arun was reappointed as an Independent Director for second term of five years w.e.f. 29th September 2026 consequent to approval received from Members of the Company through postal ballot process on 06th August 2026.

Annual Evaluation of the Board, Committees and Directors

The formal evaluation of the Board was done taking into account the various parameters such as the structure, meetings, functions, risk evaluation, management of conflict of interests, stakeholder value & responsibility, corporate culture & value, facilitation to the Independent Directors to function impartially and other matters. The evaluation of the Committees was done based on the mandate, composition, effectiveness, structure and meetings, independence and contribution to the decisions of the Board.

The evaluation of the individual directors, including the independent directors was done taking into account their qualification, experience, competency, knowledge, understanding of their respective roles (as a Director, Independent Director and as a Member of the Committees of which they are Members/Chairpersons), adherence to Codes and ethics, conduct, attendance and participation in the meetings, etc. In compliance with the requirements of Schedule IV to the Act and the Regulations, a separate meeting of the Independent Directors was held during the year under review.

Directors' Responsibility Statement

Pursuant to the requirement of sub-sections 3(c) and 5 of Section 134 of the Act it is hereby confirmed that:

a. in the preparation of the annual accounts for the financial year ended 31st March 2026, the applicable Accounting Standards had been followed along with proper explanation relating to material departures.

b. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as 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 profit of the Company for the year under review.

c. the Directors had 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.

d. the Directors had prepared the accounts for the financial year ended 31st March 2026 on a "going concern" basis.

e. the Directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively and

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

Details of Unclaimed Share Certificates

In accordance with the requirements of Clause 5A of the erstwhile Listing Agreement, during the year 2012-13 shares remaining unclaimed even after 3 reminders have been transferred and held in a separate demat account. As per the information provided by the Registrars and Share Transfer Agent, out of the 54,749 shares, which remained unclaimed by 230 shareholders at the beginning of the FY, 1,800 shares were released to 7 shareholders during the year. Further, 4,500 shares relating to 21 shareholders were transferred to the Investor Education and Protection Fund in compliance with the requirements of Section 124(6) of the Act. As at the end of the FY, 48,449 shares remained unclaimed by 202 shareholders. As specified under the Regulations, the voting right on the above shares remain frozen.

A separate suspense escrow demat account has been opened for moving the shares, required to be transferred beyond 120 days from issuing of Letter of Confirmation by the Company as stipulated under SEBI Circular dated 30th December, 2022. As at 31st March, 2026, 3,075 Shares were transferred to the said account.

Auditors

Brahmayya & Co., Chartered Accountants, Chennai were re-appointed as the Auditors of the Company for the second term at the 36th Annual General Meeting (AGM) held on 28th September 2022 for a period of five years, viz. till the conclusion of 41st AGM.

Maintenance of Cost Records & Cost Audit

The Company is required to maintain cost records as specified by the Central Government under Section 148(1) of the Act and is also covered under Cost Audit, which are duly complied with. Mr. L Thriyambak, Practicing Cost Accountant, Chennai was appointed as the Cost Auditor of the Company for the financial year 2025-26 on a remuneration of ₹ 3.00 lakh plus applicable taxes and reimbursement of out-of-pocket expenses which was ratified by the Members at the AGM held on 16th September 2025.

Based on the recommendation of the Audit Committee, Board has appointed Mr. L Thriyambak as the Cost

Auditor for the financial year 2026-27 to hold office till 27th September 2027 or submission of the report for the year 2026-27, whichever is earlier. The remuneration will be ₹ 3 lakh, plus applicable taxes and reimbursement of out-of-pocket expenses subject to ratification of the Members at the ensuing AGM.

Adequacy of Internal Financial Controls

Your Company has in place adequate internal financial control systems combined with delegation of powers and periodical review of the process. The control system is also supported by Internal Audit and management review with documented policies and procedures. In the past the system was also reviewed by an external agency, and no major weaknesses were reported. To ensure effective operation of the system, periodical reviews are made by the Internal Auditors and their findings discussed by the Audit Committee and with the Statutory Auditors. The Statutory Auditors of the Company have also furnished certificates in this regard, which are attached to their Reports.

Corporate Governance

Your Company has complied with the requirements of Corporate Governance stipulated under the Regulations. A Report on Corporate Governance is given in Annexure A. Declaration of the Managing Director & Chief Executive Officer - MPL Group on compliance with the Code of Conduct of the Board and Senior Management and compliance certificate from Practicing Company Secretary regarding compliance of conditions of Corporate Governance are given in Annexure B. Secretarial Audit Report as required under Section 204 of the Act, was issued by Ms. B Chandra, Company Secretary in Practice is annexed to this Report as Annexure C.

Disclosures under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

a. The ratio of remuneration of Managing Director and Wholetime Director to the median remuneration of other employees of the Company was 45.68%.

b. The increase in remuneration of MD & CEO: 3.04%*, CS: NA, WTD: 22.79%*, CFO: NA.

**includes PLP paid for FY 2024-25*

Does not include PLP for 2025-26

c. The increase in the median remuneration of the employees was 5.50%.

d. As at the year end, there were 289 permanent employees, including MD, WTD and excluding trainees.

e. During the year, the average increase in the salaries other than managerial remuneration was 5.57% and the increase in managerial remuneration was 8.84%. Considering the performance of the Company and respective individuals during the year under review, the increase in managerial and other remuneration are deemed reasonable which have been determined based on the appraisal process adopted by the Company.

f. Information stipulated under Rule 5(2) are given in Annexure D to this Report.

g. The remuneration paid to the employees are as per the remuneration policy of the Company.

Note: Wages to workmen covered under the wage settlements have not been considered for (c) and (e) above.

Other disclosures

a. Information on conservation of energy, technology absorption, foreign exchange earnings and outgo prescribed under Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, to the extent applicable are given in Annexure E.

b. Pursuant to Section 92(3) of the Act, the Annual Return filed during the year under review has been uploaded on the website of the Company under the link https://www.manalipetro.com/investors/annual-return/

c. The Company has not accepted any deposits from the public during the year under report.

d. The information under Section 186 of the Act relating to investments, loans, etc. as at the year-end has been furnished in Notes to the Financial Statements.

e. The annual report on CSR is given in Annexure F.

f. The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of

Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No cases were filed under the said Act.

Following are the details:

i. No. of complaints of sexual harassment received in the year: NIL

ii. No. of complaints disposed off during the year: NA

iii. Number of cases pending for more than ninety days: NA

g. The Company has complied with the provisions relating to the Maternity Benefit Act 1961.

h. The Company has complied with the requirements of all the applicable Secretarial Standards.

i. Significant changes in key financial ratios:

During the year under review, net margin increased by 426%. The current ratio and inventory turnover ratio decreased by 1.43% and 1.35% respectively. The Return on Net worth was at 3.61% in 2025-26 as against (0.91)% in 2024-25. All these were because of cost reduction measures implemented during the year and better price realizations during the year.

The complete details of Ratios along with Variance are provided in Note 52, clause xii of Standalone Financial Statements.

Acknowledgement

Your Directors express their sincere gratitude to the Government of India, the Government of Tamilnadu, the Promoters and the Banks for the assistance, co-operation and support extended to the Company. The Directors thank the Shareholders for their continued support. The Directors also place on record their appreciation of the consistent good work put in by all cadres of employees and especially for raising up to the occasion and ensuring sustained operations during the year.

Disclaimer

The Management Discussion and Analysis contained herein is based on the information available to the Company and assumptions based on experience in regard to domestic and global economy, on which the Company's performance is dependent. It may be materially influenced by changes in economy, government policies, environment and the like, on which the Company may not have any control, which could impact the views perceived or expressed herein.

For and on behalf of the Board
Ashwin C Muthiah
DIN: 00255679
Chairman

Place: Singapore
Date: 13.08.2026

Annexure A

REPORT ON CORPORATE GOVERNANCE

1. Company's philosophy on Code of Corporate Governance:

The Board of Directors of your Company strongly supports the principles of Corporate Governance. Emphasis is laid on transparency, accountability and integrity in all operations and dealings with all the stakeholders. Your Company has been following the best practices in corporate governance much before the same was made mandatory by SEBI.

This report covers the corporate governance aspects in your Company relating to the year ended 31st March 2026.

2. Board of Directors:

i. Composition and membership in other Boards and Board Committees:

As on 31st March 2026, the Board comprised twelve directors, as detailed below:

Name	Other Listed Companies of which he/she is a director and category	Membership	
		Other Boards	Other Board Committees
Non-Executive, Non Independent (NENI)			
Mr. Ashwin C Muthiah, Chairman	Tuticorin Alkali Chemicals and Fertilizers Limited Southern Petrochemical Industries Corporation Limited, SICAGEN India Limited and Tamilnadu Petroproducts Limited (All NENI)	4(3)	-
Ms. Devaki Muthiah Chardon	Southern Petrochemical Industries Corporation Limited, Tuticorin Alkali Chemicals and Fertilizers Limited (All NENI)	3	1
Mr. Hugo Chardon	-	-	-
Ms. R Bhuvaneswari	Saptarishi Agro Industries Limited Tamilnadu Telecommunication Limited (All NENI)	4	2
Non-Executive, Independent (NEID)			
Mr. Govindarajan Dattatreyan Sharma	Tamilnadu Petroproducts Limited India Radiators Limited Mercantile Ventures Limited SICAGEN India Limited Tuticorin Alkali Chemicals and Fertilizers Limited (ALL NEID)	5	6
Lt. Col. (Retd.) Chatapuram Swaminathan Shankar	Tamilnadu Petroproducts Limited (NEID)	1	-

Name	Other Listed Companies of which he/she is a director and category	Membership	
		Other Boards	Other Board Committees
Dr. N Sundaradevan, IAS (Retd.)	Tamilnadu Petroproducts Limited, Tamilnadu Newsprint & Papers Limited (ALL NEID)	2	3(1)
Mr. Thanjavur Kanakaraj Arun	Southern Petrochemical Industries Corporation Limited Tuticorin Alkali Chemicals and Fertilizers Limited (All NEID)	3	4(2)
Ms. Latha Ramanathan	Southern Petrochemical Industries Corporation Limited Tamilnadu Petroproducts Limited Dr. Agarwal's Eye Hospital Limited Tuticorin Alkali Chemicals and Fertilizers Limited (All NEID)	4	4(1)
Mr. Anand Raghavan	Five-Star Business Finance Limited Aptus Value Housing Finance India Limited (All NEID)	4	5(4)
Executive, Non Independent (ENI)			
Mr. R Chandrasekar, Managing Director & Chief Executive Officer – MPL Group	Sicagen India Limited (NED)	1	1
Mr. G R Sridhar, Wholetime Director (Head of Plant Operations)	-	-	-

During the financial year under review, the following changes took place in the composition of the Board:

a. Mr. Niranjhan Madras Srinivasan (DIN: 01650785), Independent Director ceased to be Director of the Company w.e.f. close of business hours on 11th August 2025 pursuant to his resignation letter dated 11th August 2025. The resignation was due to his other professional and personal commitments and the Director confirmed that there were no other material reasons other than the aforesaid.

b. Mr. Anand Raghavan was appointed as an Additional Director under Non-Executive Independent category w.e.f. 03rd October 2025.

Regularization of Directors were completed as applicable within the stipulated timelines.

Notes:

a. Other Directorships exclude foreign companies, private limited companies, Section 8 companies and alternate directorships as on 31st March 2026.

b. Only Membership in Audit Committees and Stakeholders' Relationship Committees (other than in MPL) are reckoned for Other Board Committee Memberships in Companies other than (a) above.

c. Figures in brackets denote the number of companies / committees of listed and unlisted public companies in which the Director is Chairperson.

d. Except Mr. Ashwin C Muthiah, Chairman, who is holding 13,648 shares, none of the Directors hold any shares in the Company nor have any inter se relationship.

e. The details of familiarization programmes conducted for the Independent Directors are disclosed on the website of the Company at https://www.manalipetro.com/wp-content/uploads/2026/04/MPL-Familiarization-Programme-for-Independent-Directors-2025-26.pdf

ii. Board Meetings, Annual General Meeting (AGM) and attendance thereat

The Board of Directors met seven times during the year 2025-26 viz., on 13th May 2025, 11th August 2025, 03rd October 2025, 15th October 2025, 10th November 2025, 02nd February 2026 and 09th March 2026. The details of the attendance of the directors at the Board Meetings and the AGM are as follows:

Name	Period of Office held during the year	No. of meetings held during the period of office	No. of Meetings attended	Attendance at the Last AGM held on 16.09.2025
Mr. Ashwin C Muthiah	Full year	Seven	Seven	Yes
Ms. Devaki Muthiah Chardon	Full year	Seven	Seven	Yes
Mr. Hugo Chardon	Full Year	Seven	Six	No
Mr. Govindarajan Dattatreyan Sharma	Full year	Seven	Seven	Yes
Lt. Col. (Retd.) Chatapuram Swaminathan Shankar	Full year	Seven	Seven	Yes
Dr. N. Sundaradevan, IAS (Retd.)	Full year	Seven	Seven	Yes
Mr. Thanjavur Kanakaraj Arun	Full year	Seven	Seven	Yes
Ms. R Bhuvaneswari	Full year	Seven	Five	Yes
Ms. Latha Ramanathan	Full year	Seven	Seven	Yes
Mr. Anand Raghavan	From 03.10.2025	Four	Four	NA
Mr. R Chandrasekar	Full year	Seven	Seven	Yes
Mr. G R Sridhar	Full year	Seven	Seven	Yes
Mr. Niranjhan Madras Srinivasan	Till 11.08.2025	Two	One	NA

iii. Skills / Expertise / Competence of the Board as on 31st March 2026:

The following are the details of the skills/competencies determined as required for the discharge of the obligations by the Board and of the Directors identified to be having specific skills/competency/expertise:

Major Classification	Sub Classification	Remarks	Directors having the skills
Industry	Specific Skills	Good knowledge about the Petrochemicals business and industry and the issues specific to the Company.	Mr. Ashwin C Muthiah Ms. Devaki Muthiah Chardon Mr. C S Shankar Mr. R Chandrasekar Mr. G R Sridhar
	Technical	Technical/professional skills and specialist knowledge about the Company, its market, process, operations, etc. (For Executive Directors)	Mr. R Chandrasekar Mr. G R Sridhar
Strategy & Policy	Strategy	Ability to identify and critically assess strategic opportunities and threats to the business. Guiding development of strategies to achieve the overall goals	Mr. Ashwin C Muthiah Ms. Devaki Muthiah Chardon Mr. Hugo Chardon Mr. R Chandrasekar Ms. R Bhuvaneswari Mr. G R Sridhar
	Policies	Guidance for development of policies and other parameters within which the Company should operate for better control and management	Ms. Devaki Muthiah Chardon Ms. Latha Ramanathan Mr. C S Shankar Dr. N Sundaradevan IAS Mr. T K Arun
	Crisis Management	Ability to guide crisis management and provide leadership in hours of need.	Mr. Ashwin C Muthiah Ms. Devaki Muthiah Chardon Mr. Hugo Chardon Mr. R Chandrasekar Mr. G R Sridhar
Risk & Compliance	Operational	Identification of risks related to each area of operation	Mr. R Chandrasekar Mr. G R Sridhar
	Legal	Monitor the risks and compliances and knowledge of regulatory requirements	Mr. R Chandrasekar Dr. N Sundaradevan IAS Mr. G D Sharma Mr. T K Arun Mr. Anand Raghavan Ms. R Bhuvaneswari
	Financial	Experience in accounting and finance, ability to analyse the financial statements presented, assess the viability of various financial proposals, oversee funding arrangements and budgets	Ms. Latha Ramanathan Mr. T K Arun Ms. Devaki Muthiah Chardon Mr. Hugo Chardon Mr. Anand Raghavan Mr. R Chandrasekar

Major Classification	Sub Classification	Remarks	Directors having the skills
Management & Leadership	Executive Management	Handling senior management and monitoring its performance, strategic human resources planning. Experience in industrial relations and organizational change management programmes.	Mr. Ashwin C Muthiah, Ms. Devaki Muthiah Chardon Mr. Hugo Chardon Mr. G D Sharma Mr. R Chandrasekar Mr. G R Sridhar
	Leadership	Make decisions and take necessary actions for implementation thereof in the best interest of the organization. Analyse issues and contribute at board level to solutions	
Board Conduct	Contribution	Ability to participate constructively in Board deliberations, express independent views, evaluate differing perspectives and contribute to informed decision-making.	All the Directors of the Company
Personal	Qualification	Having formal education and well qualified to possess the skills and competencies outlined above.	
	Experience	Previous experience in Board or senior management positions in reputed companies/ organizations/ government.	
	Diversity	Optimum combination - Gender, ethnic, age, etc. and presence adding value to the Board's stature.	
	Interpersonal Skills	Must work well in a group, listen well and communicate their point of view frankly but tactfully.	
	Interest in the Company	Shall be sincere and evince genuine interest in the affairs of the Company	
	Instinct	Shall have good business instincts and acumen, and ability to get to the crux of the issue quickly. A degree of intuition would also be good.	
	Ethics and integrity	Be ethical and maintain integrity at any cost. Adhere to the Codes of Conduct in letter and spirit. In the event of conflict of interest, prioritize the Company	

- ✓ The Skills Matrix stated above are the broader skills, competencies and experience which, in the opinion of the Directors are required for the proper functioning of the Board of MPL.
- ✓ The above Skills Matrix sets out the mix of skills and diversity that the Board currently has or is looking to achieve.
- ✓ These skills are expected of the Directors as a Group and it is not a requirement that each Director should present all of the skills and experience listed. In other words it would be sufficient if the Board collectively present all of the skills and experience listed in the Board Skills Matrix.
- ✓ To ensure that the Directors for the time being as a Group provide the skills and experience required by the Board Skills Matrix, each Director's skills and experience will be assessed from time to time.
- ✓ Gaps, if any identified by such assessment would be considered when filling any vacancies or appointing any additional director to the Board.
- ✓ The Skills Matrix would be reviewed periodically and changes made as deemed appropriate by the Board arising out of regulatory changes or otherwise.

In the opinion of the Board all the above skills/competencies are actually available with the Board as indicated in the above table, which have been determined based on the qualification, experience and performance of the individual Director.

iv. Confirmation on Independent Directors

In the opinion of the Board, the Independent Directors fulfil the conditions specified under Section 149(6) of the Companies Act, 2013 (the Act) and Regulation 16(1)(b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (the Regulations), and are independent of the Management.

3. Audit Committee:

i. Terms of reference

The Audit Committee was constituted in August 1990, much earlier to being made mandatory under the Listing Agreement and the Company Law. The terms of reference were reviewed during the year 2005-06 and modified in line with the requirements of Clause 49 of the Listing Agreements with Stock Exchanges. At present, the terms of reference are aligned to the requirements of the Companies Act, 2013 (the Act) and the Regulations.

ii. Composition

As on 31st March 2026, the Committee comprised Ms. Latha Ramanathan as Chairperson, Mr. Thanjavur Kanakaraj Arun, Mr. Govindarajan Dattatreyan Sharma and Ms. R Bhuvaneswari as the other Members. The Company Secretary is the Secretary to the Committee.

iii. Meetings and attendance

The Committee met seven times during the year 2025-26 viz., on 13th May 2025, 11th August 2025, 03rd October 2025, 15th October 2025, 10th November 2025, 02nd February 2026 and 09th March 2026.

The details of the attendance of the directors at the Audit Committee Meetings are as follows:

Name	Period of Office held during the year	No. of meetings held during the period of office	No. of Meetings attended
Ms. Latha Ramanathan	Full year	Seven	Seven
Mr. Thanjavur Kanakaraj Arun	Full year	Seven	Seven
Mr. Govindarajan Dattatreyan Sharma	Full year	Seven	Seven
Ms. R Bhuvaneswari	Full year	Seven	Five

4. Nomination and Remuneration Committee:

i. Composition, terms of reference and meeting

As on 31st March 2026, the Committee comprised Mr. Govindarajan Dattatreyan Sharma as the Chairperson, Ms. Latha Ramanathan, Ms. R Bhuvaneswari and Lt. Col. (Retd.) Chatapuram Swaminathan Shankar as Members.

The terms of reference include the following, viz., to identify persons who are qualified to become directors and who may be appointed in senior management, recommend to the Board appointment and removal of the directors, evaluate the performance of the directors, formulate criteria for determining qualifications, positive attributes and independence of a director, recommend to the Board a policy relating to the remuneration to the directors, key managerial personnel and other employees, devise policy on diversity and such other matter as may be prescribed under the Act, the Rules made thereunder and the Listing Regulations.

The Committee met two times during the year 2025-26 viz., on 13th May 2025 & 03rd October 2025. The details of the attendance of the directors at the Nomination and Remuneration Committee Meetings are as follows:

Name	Period of Office held during the year	No. of meetings held during the period of office	No. of Meetings attended
Mr. Govindarajan Dattatreyan Sharma	Full year	Two	Two
Ms. Latha Ramanathan	Full year	Two	Two
Lt. Col. (Retd.) Chatapuram Swaminathan Shankar	Full year	Two	One
Ms. R Bhuvaneswari	Full year	Two	Two

ii. Criteria for evaluation of the performance of the Independent Directors:

The criteria for evaluation of the performance of Independent Directors, include their qualification, experience, competency, knowledge, understanding of respective roles (as Independent Director and as a member of the Committee of which they are Members/Chairpersons), adherence to Codes and ethics, conduct, attendance and participation in the meetings, etc.

5. Remuneration of Directors

i. Remuneration policy and criteria for making payments to Non-Executive Directors

The Remuneration Policy of the Company as approved by the Board inter alia, contains the criteria for appointment of Independent Directors, Executive Directors, Key Managerial Personnel and other employees, manner of appointment, remuneration policy for Executive and Non-Executive Directors, Guiding principles for fixing remuneration to employees who are not directors, etc. The following is the Remuneration Policy for Directors.

a. For Executive Directors

The remuneration of the Wholetime/Executive Directors shall comprise of a fixed component and a performance linked pay, as may be fixed by the Nomination and Remuneration Committee (NRC) and subsequently approved by the Board of Directors and Members. Performance Linked Pay shall be payable based on the performance of the individual and the Company during the year. Remuneration trend in the industry and in the region, academic background, qualifications, experience and contribution of the individual are to be considered in fixing the remuneration. These Directors are not eligible to receive sitting fees for attending the meetings of the Board and Committees.

The performance linked pay is determined as per the appraisal system in vogue which takes into account the performance of the Company and also the individual, consistency in rating received and related matters. Based on the final rating, the PLP is varied every year, which may be higher or lower than the amount fixed and paid during the subsequent year. Therefore, the actual amount received may vary from the remuneration fixed.

b. For Non-Executive Directors

The Non-Executive Directors will be paid sitting fees for attending the Board and Committee Meetings as per the stipulations in the Act, and the Articles of Association of the Company and as recommended by the NRC. Different scales of sitting fee may be fixed for each category of the directors and type of meeting. However, the fees payable to the Independent Directors and Woman Directors shall not be lower than the fee payable to other categories of directors.

In addition to this, the travel and other expenses incurred for attending the meetings are to be met by the Company. Subject to the provisions of the Act and the Articles of Association, the Company in General Meeting may by special resolution sanction and pay to the Directors remuneration not exceeding 1% of the net profits of the Company computed in accordance with the relevant provisions of the Act. The Company shall have no other pecuniary relationship or transactions with any Non-Executive Directors.

ii. None of the non-executive directors had any pecuniary relationship with the Company other than receipt of sitting fees and remuneration.

iii. Details of remuneration paid to the Directors

a. Executive Directors

✓ Remuneration paid to Mr. G R Sridhar, Wholetime Director (Head of Plant Operations) during the year was ₹ 68.09 lakh, comprising ₹ 53.27 lakh as Salary & Allowances, PLP of ₹ 13.29 lakh and Perquisites of ₹ 1.53 lakh.

✓ Remuneration paid to Mr. R Chandrasekar, Managing Director & Chief Executive Officer – MPL Group during the year was ₹ 135.85 lakh, comprising ₹ 107.56 lakh as Salary & Allowances, PLP of ₹ 25 lakh and Perquisites of ₹ 3.29 lakh.

✓ In addition to the above, contribution to Provident and Superannuation Funds were made to above said two directors as per applicable law/rules/terms of employment.

✓ The Executive Directors are under contracts of employment with the Company which stipulates a notice period of 3 months from either side for early separation and no severance fee is payable.

Note: PLP paid is for FY 2024-25.

b. Non-Executive Directors

During the year an aggregate amount of ₹ 65 lakh was paid to the Non-Executive Directors as Sitting Fees for attending the Board Meetings as stated below:

- Mr. Ashwin C Muthiah, Ms. Devaki Muthiah Chardon, Mr. Govindarajan Dattatreyan Sharma, Lt. Col (Retd.) Chatapuram Swaminathan Shankar, Dr. N. Sundaradevan, IAS (Retd.), Mr. Thanjavur Kanakaraj Arun and Ms. Latha Ramanathan ₹ 7 lakh each.
- Mr. Hugo Chardon – ₹ 6 lakh and Mr. Anand Raghavan – ₹ 4 Lakh.
- Ms. R Bhuvaneswari ₹ 5 lakh (paid to TIDCO)
- Mr. M S Niranjhan - ₹ 1 Lakh.

In addition to the above and pursuant to the approval of the Members by way of a special resolution passed in the 39th Annual General Meeting of the Company held on 16th September 2025, an equal amount of ₹ 42 Lakh was paid to the Non-Executive Directors as remuneration for FY 2024-25 out of the profits of the said year. The payment was made during October 2025.

c. **No Employee Stock Option has been offered by the Company to any of the directors.**

6. Stakeholders' Relationship Committee

i. Chairperson and Compliance Officer

As on 31st March 2026, the Committee comprised Mr. Thanjavur Kanakaraj Arun, Chairperson, Mr. Govindarajan Dattatreyan Sharma, Ms. R Bhuvaneswari and Mr. R Chandrasekar as Members. Mr. G Sri Vignesh, Company Secretary was the Compliance Officer. During the year the Committee met on 09th March 2026, at which all the Members were present.

ii. Details of complaints received and pending

As per the information provided by the RTA there were 5 complaints pending as at the beginning of the year which were resolved during the first quarter of the FY 2025-26 to the satisfaction of the shareholders. During the year 45 complaints were received. All the complaints were redressed by the Company/RTA to the satisfaction of the shareholders except 1 pending complaint as at the year end which has been resolved during April 2026.

7. Risk Management Committee

i. Terms of reference

The Company has established a structured framework for addressing business risk management issues. A risk management plan has been framed, implemented and monitored by the Board through the Risk Management Committee (RMC). The terms of RMC are as prescribed under the Regulations and the role of the RMC have been explained in detail in the RM policy framed pursuant to the Regulations, as amended.

ii. Composition

As on 31st March 2026, the Committee comprised Mr. Thanjavur Kanakaraj Arun as Chairperson, Ms. Latha Ramanathan, Ms. R Bhuvaneswari, Mr. R Chandrasekar, as members.

iii. Meeting and Attendance

The Committee met four times during the year 2025-26 viz., 05th May 2025, 08th August 2025, 7th November 2025 and 02nd February 2026. The details of the attendance of the directors at the Risk Management Committee are as follows:

Name	Period of Office held during the year	No. of meetings held during the period of office	No. of Meetings attended
Mr. Thanjavur Kanakaraj Arun	Full year	Four	Four
Ms. Latha Ramanathan	Full year	Four	Four
Ms. R Bhuvaneswari	Full Year	Four	Three
Mr. R Chandrasekar	Full year	Four	Four

8. **General Body Meetings**

i. **Annual General Meetings:**

AGM	Year	Venue	Date	Time
37th	2023	Through Video conferencing / Other Audio-Visual Means	25.09.2023	02.00 p.m. (IST)
38th	2024		18.09.2024	02.00 p.m. (IST)
39th	2025		16.09.2025	02.00 p.m. (IST)

ii. **Special Resolutions:**

AGM	Year	Special Resolutions passed
37th	2023	No Special Resolution passed.
38th	2024	Approval for appointment of Ms. Latha Ramanathan (DIN: 07099052) as an Independent Director of the Company for a period of five years w.e.f., 5th August 2024.
39th	2025	Approval for payment of remuneration to the Non-Executive Directors for Financial Year 2024-25.

iii. **Passing of Special Resolution by Postal Ballot:**

During the year 2025-26, the Company passed following Special Resolutions through Postal Ballots:

- **Postal Ballot process completed on 4th May 2025:**

a. Appointment of Mr. Niranjhan Madras Srinivasan (DIN: 01650785) as an Independent Director of the Company

Since the number of votes cast in favour exceeded three times the number of votes cast against, the resolution was passed with requisite majority [assent of 99.99%]

b. Re-designation and appointment of Mr. R Chandrasekar, Managing Director (DIN: 06374821) as Managing Director & CEO – MPL Group.

Since the number of votes cast in favour exceeded three times the number of votes cast against, the resolution was passed with requisite majority [assent of 99.99%]

c. Re-designation of Mr. G R Sridhar, Wholetime Director (Operations) (DIN: 10596912) as Wholetime Director (Head of Plant Operations) and revision in remuneration

Since the number of votes cast in favour exceeded three times the number of votes cast against, the resolution was passed with requisite majority [assent of 99.64%]

- **Postal Ballot process completed on 14th November 2025:**

a. Appointment of Mr. Anand Raghavan (DIN: 00243485) as an Independent Director of the Company

Since the number of votes cast in favour exceeded three times the number of votes cast against, the resolution was passed with requisite majority [assent of 99.98%]

b. Approval for sale of Wholly owned Step-down Material Subsidiary.

Since the number of votes cast in favour exceeded three times the number of votes cast against, the resolution was passed with requisite majority [assent of 99.97%]

After completion of the year under review, the Company passed following Special Resolutions through Postal Ballot on 06th August 2026:

a. Approval for reappointment of Mr. T K Arun (DIN: 02163427) as an Independent Director of the Company for second term.

b. Approval for revision in remuneration to Mr. R Chandrasekar (DIN: 06374821), Managing Director & CEO - MPL Group.

c. Approval for revision in remuneration to Mr. G R Sridhar, (DIN: 10596912), Wholetime Director (Head of Plant Operations).

M/s. B. Chandra & Associates, Practicing Company Secretaries, Chennai, were the scrutinizers for the abovesaid Postal Ballots processes. The postal ballot results were declared within the stipulated timelines.

No special resolution is presently proposed to be passed through postal ballot.

The procedure for the postal ballot would be as prescribed under the Act, Rules and other directions of MCA/SEBI.

9. Means of communication

As stipulated under Regulation 33 read with Regulation 47, the Quarterly Results are intimated to the Stock Exchanges and published in one English National Newspaper (Financial Express) and one Tamil Newspaper (Makkal Kural). The results are also displayed on the website of the Company viz., www.manalipetro.com. The information stipulated under Regulation 46 of the Regulations are also available on the website of the Company. In addition, official press/news releases and several other details/information of interest to various stakeholders are submitted to the Stock Exchanges/made available on the website.

10. General Shareholder Information

i. Annual General Meeting

The Fortieth AGM of the Company is scheduled to be held on 28th September 2026 at 5.00 P.M. [IST] through Video Conferencing (VC)/Other Audio Visual Means (OAVM). For further information please refer the Notice of AGM.

ii. Financial year

The financial year of the Company commences on 1st April and ends on 31st March.

iii. Dividend payment date

Subject to declaration at the ensuing AGM, the dividend for the year 2025-26 will be paid within the stipulated timelines, net of the applicable withholding taxes.

iv. Listing Details

NAME AND ADDRESS OF EXCHANGE	STOCK CODE
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001	500268
National Stock Exchange of India Limited (NSE) Exchange Plaza, C-1, Block G. Bandra Kurla Complex Bandra, East, Mumbai- 400 051.	MANALIPETC

Listing fees upto FY 2026-27 have been paid to the aforesaid exchanges.

v. Registrars and Transfer Agent:

All share registry work in respect of both physical and demat segments are handled by a single common agency M/s Cameo Corporate Services Limited, Subramanian Building, No. 1, Club House Road, Chennai – 600 002, as the Registrar and Transfer Agent (RTA) of the Company for all aspects of investor servicing relating to shares.

vi. Share Transfer System:

Requests for share transfer, transmissions, transpositions etc., are processed by the RTA and returned within the stipulated time, if the documents are found to be in order. The routine requests from shareholders like transfer, transmission, transposition, change of name etc., were approved by the Managing Director / Wholetime Director (Works) / Company Secretary and the details are placed before the Stakeholders' Relationship Committee and the Board.

Pursuant to proviso to Regulation 40 (1) of the Regulations, effective from 1st April 2019 transfer of securities other than transmission or transposition of names is not processed by the Company in physical form. Except those permitted under the relevant circulars of SEBI.

Pursuant to SEBI Circular dated 25th January 2022, the listed companies shall issue the securities in dematerialised form only, for processing any service requests from shareholders viz., issue of duplicate share certificates, endorsement, transmission, transposition, etc. After processing the service request, a letter of confirmation will be issued to the Shareholders and shall be valid for a period of 120 days, within which the Shareholder shall make a request to the Depository Participant for dematerialising those shares. If the Shareholders fail to submit the dematerialisation request within 120 days, then the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. Shareholders can claim these shares transferred to Suspense Escrow Demat account (SEDA) on submission of necessary documentation.

Pursuant to SEBI circular dated 30th January 2026, the requirement of issuing a Letter of Confirmation (LOC) has been removed and introduces a streamlined mechanism for handling investor service requests such as duplicate certificates, transmission, transposition, and other requests will be credited directly to the investor's demat account after due diligence by the RTA or Company effect from 2nd April 2026.

Special Window for lodgement of share transfer request:

Pursuant to the SEBI Circular dated January 30, 2026, the Company has enabled a special window to facilitate lodgement of transfer requests executed before April 1, 2019 that were either not lodged for transfer or were lodged and subsequently rejected, returned or not attended due to deficiency in the documents. Eligible Shareholders are encouraged to submit the requisite documents to the Company/RTA before February 4, 2027.

Securities transferred through this mechanism shall be credited only in demat form and will remain under a one-year lock in, during which they cannot be transferred, lien marked or pledged. A newspaper advertisement has been published in this regard which can be available on the website of the Company.

100 Days campaign – 'Saksham Niveshak' by Investor Education and Protection Fund Authority

Investor Education and Protection Fund Authority ('IEPFA'), Ministry of Corporate Affairs had launched a 100 days campaign named "Saksham Niveshak" from July 28, 2025 to November 6, 2025, to reduce the amount of unclaimed dividend of the investors likely to be transferred to IEPF, guide and assist shareholder to update KYC and assist shareholders in filing of claims for dividend and shares which are lying with IEPFA without involving third parties.

As a part of the above campaign, the Company has made necessary newspaper publications informing the process to claim unclaimed dividend and shares.

Based on response received from the shareholders, the Company guided them to update their KYC details and assisted in filing claims with IEPF. The Company continues to reach out to the shareholders to facilitate release of unpaid dividend.

vii. Distribution of shareholding as on March 31, 2026:

Range of Shares		Holders		Shares	
From	**To**	**No**	**%**	**No**	**%**
1	100	72,539	47.45	26,35,036	1.53
101	500	59,275	38.78	1,42,84,295	8.30
501	1000	10,848	7.10	84,85,186	4.93
1001	2000	5,145	3.37	76,82,346	4.47
2001	3000	1,674	1.10	43,19,243	2.51
3001	4000	785	0.51	28,16,638	1.64
4001	5000	723	0.47	34,40,981	2.00
5001	10000	1,082	0.71	80,63,694	4.69
10001	& above	786	0.51	12,02,71,810	69.93
Total			**100.00**	**17,19,99,229**	**100.00**

viii. Dematerialization of shares and liquidity

The equity shares of the Company are listed on BSE & NSE and are to be traded only in dematerialized form. The ISIN is INE201A01024. As on March 31, 2026, 16,82,25,983 shares were held in dematerialized form, representing about 97.81% of the total shares. The shares are traded regularly on BSE and NSE.

ix. The Company has not issued any convertible instruments.

x. Location of Plants: Plant I : Ponneri High Road, Manali, Chennai – 600 068

Plant II: Sathangadu Village, Manali, Chennai – 600 068

xi. Address for correspondence

Investors may contact the Registrar and Transfer Agent for matters relating to shares, dividends, annual reports and related issues at the following address viz., **Cameo Corporate Services Ltd, Subramanian Building, V Floor, No: 1, Club House Road, Chennai – 600 002**. Phone: 044 - 28460390/28460394 & 28460718, Fax 044 - 28460129, Online Investor Portal: https://wisdom.cameoindia.com/

For other general matters or in case of any difficulties/grievances investors may contact: Mr. G. Sri Vignesh, Company Secretary and Compliance Officer, at the Registered Office of the Company, Phone/Fax: 044–22351098, E-mail companysecretary@manalipetro.com

11. Other Disclosures

i. There were no materially significant related party transactions that had potential conflict with the interests of the Company at large. Transactions with the related parties under Ind AS-24 are disclosed in the Notes to Financial Statements.

ii. There have been no instances of non-compliance by the Company on any matters related to the capital markets nor have any penalty/strictures been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on such matters.

iii. As stipulated under the Act and the Regulations a Whistle Blower Policy has been framed, the text of which has been uploaded on the website of the Company. No personnel have been denied access to the Audit Committee.

iv. All the mandatory requirements of Corporate Governance under the Regulations have been complied with.

v. Details of Material Subsidiary of the Company:

Name of the Material Subsidiary	Date of Incorporation	Place of Incorporation	Details of Statutory Auditor
AMCHEM Speciality Chemicals Private Limited	17.09.2015	Singapore	JBS Practice PAC Public Accountants and Chartered Accountants 05.04.2016 (date of appointment)
PennWhite Limited, UK	26.04.2005	United Kingdom	Clarke Nicklin LLP Chartered Accountants 31.08.2010 (date of appointment)
Notedome Limited, UK*	19.08.1977	United Kingdom	Dafferns LLP, Chartered Accountants April 2020 (date of appointment)

*ceased to be subsidiary w.e.f. 17.11.2025. Please refer Directors' Report for further details.

The policy for determining material subsidiaries is disclosed on the website of the Company under the link: https://www.manalipetro.com/wp-content/uploads/2025/04/MATERIAL-SUBSIDIARY-2025-WEB.pdf

vi. The policy on dealing with related party transactions is disclosed on the website of the Company under the link https://www.manalipetro.com/wp-content/uploads/2026/04/RPT-Policy-2026.pdf

vii. The Company mainly sources its materials domestically and the exports are not substantial and so there has been no major commodity price risk faced. Accordingly, there has been no commodity hedging activities undertaken by the Company. As regards the Foreign exchange risks, the Company takes forward contracts based on the exposure and extant market conditions and details of hedging are available in the financial statements.

viii. B. Chandra & Associates, Practicing Company Secretaries has certified that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority.

ix. During the year, no complaints were filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

x. There were no payments to the Statutory Auditor or other entities in the network firm/network entity of which the statutory auditor is a part by the Company or its subsidiaries, other than the audit fee and fee for other services as disclosed in the financial statements.

xi. There were no loans and advances given by the Company or its subsidiaries to firms / companies in which directors are interested.

12. All the requirements of corporate governance report specified in Sub-paras (2) to (10) of Para C of Schedule V to the Regulations have been complied with.

13. The details of adoption of discretionary requirements as stipulated in Part E of Schedule II are as follows:
    - There have been no modified opinions on the financial statements, and the Company is under a regime of unmodified audit opinions.
    - The Company has appointed separate persons for the post of Chairman and Managing Director.
    - The Company has appointed a third-party firm as the internal Auditors which carries out the audit and the report is presented to the Audit Committee for review and further directions.

14. The Company has complied with the Corporate Governance requirements specified in Regulations 17 to 27 and Regulation 46 (2) (b) to (i) of the Regulations.

15. A Management Discussion and Analysis Report has been presented as part of the Directors' Report.

16. Details of SMP during the year under review as on 31st March 2026:
    a. Mr. Shivaram Narayanan, Chief Operating Officer
    b. Ms. Srishti M Bathija, CFO – MPL Group

c. Mr. G Sri Vignesh, CS
d. Dr. Sundar Saimani, Sr. GM (Sales & Marketing and R&D)
e. Mr. A R Swamydurai, DGM (Operations) (from 09.03.2026)
f. Mr. R Muthu, DGM (HR)
g. Mr. T Thangasagaran, AVP-Projects & Technical Services (upto 30.01.2026)

17. Details of Agreements under Regulation 30A of SEBI Listing Regulations, 2015:

Number of subsisting agreements: 1

Details of Agreements:
https://www.manalipetro.com/wp-content/uploads/2023/12/Reg_30A_14082023.pdf

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Annexure B

Declaration by MD & CEO – MPL Group

(Pursuant to clause D of Schedule V to the Regulations)

This is to declare that the Members of the Board and Personnel have affirmed compliance with the respective Codes of Conduct as required under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

R Chandrasekar
DIN: 06374821
MD & CEO – MPL Group

Place: Chennai
Date: 13.08.2026

CERTIFICATE ON CORPORATE GOVERNANCE COMPLIANCE

[Pursuant to Clause E of Schedule V to the SEBI (LODR) Regulations, 2015]

COMPLIANCE CERTIFICATE FROM PRACTICING COMPANY SECRETARIES REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

1. We have examined the compliance of conditions of Corporate Governance by Manali Petrochemicals Limited, for the year ended on 31st March, 2026, as stipulated under the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period 1st April 2025 to 31st March 2026, with the relevant records and documents maintained by the Company and furnished to us.

2. The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination was limited to review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance as stipulated in the said Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

3. Based on the aforesaid examination and according to the information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Regulations.

4. We further 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.

Name of Company Secretary in Practice: B. CHANDRA
ACS No.: 20879
C P No.: 7859
Partner, B. Chandra & Associates
Practicing Company Secretaries
UDIN: A020879H001100155
Peer Review No. 1711/2022

Place : Chennai
Date : 13.08.2026

Certificate on Non-Disqualification of Director

To
The Members,
Manali Petrochemicals Limited,
SPIC House 88, Old No. 97,
Mount Road, Guindy,
Chennai – 600 032

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of MANALI PETROCHEMICALS LIMITED having CIN L24294TN1986PLC013087 and having registered office at SPIC House, No.88, Old No. 97, Mount Road, Guindy, Chennai – 600 032 (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 my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below as at the end of the Financial Year 2025-26, 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, Chennai or any such other Statutory Authority.

Our responsibility is limited to examination of the Secretarial records made available to us by the Company in more particular the declarations made by the Directors to the Company under Sections 184, 149 and 164 of the Companies Act, 2013 and the data available in the public domain in the G2B portal www.mca.gov.in. Pursuant to the above, this is to certify:

1. The following were the Directors of the Company as on 31.03.2026.

2. No information or record has come to our notice that any of the directors on the board of the company has been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority.

Sl. No.	Name of the Director	DIN
1.	Ashwin Muthiah Chidambaram	00255679
2.	Thanjavur Kanakaraj Arun	02163427
3.	Sundaradevan Nanjiah	00223399
4.	Govindarajan Dattatreyan Sharma	08060285
5.	Shankar Chatapuram Swaminathan	08397818
6.	Chandrasekar	06374821
7.	Ramadoss Bhuvaneswari	06360681
8.	Devaki Muthiah Chardon	10073541
9.	Anand Raghavan	00243485
10.	Hugo Patrice Michel Chardon	10919071
11.	Latha Ramanathan	07099052
12.	Gopala Rammohan Sridhar	10596912

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This certificate is being issued based on specific request made by M/s Manali Petrochemicals Limited (hereinafter referred to as "the Company") pursuant to the requirement under Para C Sl. No. 10 (i) of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR).

This certificate is issued for the limited purpose of making necessary disclosures in the Corporate Governance Report to be furnished in the Annual Report of the Company for the year 2025-26 pursuant to Para C of Sch V to the LODR and not to be used for any other purpose without prior approval of the undersigned.

Name of Company Secretary in Practice: B. CHANDRA
CP No.: 7859
Partner, B. Chandra & Associates
Practicing Company Secretaries
UDIN: A020879H001099968
Peer Review No. 1711/2022

Place : Chennai
Date : 13.08.2026

Annexure C

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2026

To,
The Members,
Manali Petrochemicals Limited,
SPIC House 88,
Mount Road, Guindy,
Chennai – 600 032

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate, to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, We have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

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.

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

Name of Company Secretary in Practice: B.CHANDRA
C P No.: 7859
Partner, B Chandra & Associates
Practising Company Secretaries
UDIN A020879H001100342
Peer Review No. 1711/2022

Place: Chennai
Date : 13.08.2026

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2026

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

To,
The Members,
Manali Petrochemicals Limited,
SPIC House 88,
Mount Road, Guindy,
Chennai – 600 032

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Manali Petrochemicals Limited** bearing CIN L24294TN1986PLC013087 (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that, in our opinion, the company has, during the audit period covering the financial year ended on 31.03.2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 31.03.2026, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. the Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client;

   d. The Securities and Exchange Board of India (Listing obligations and Disclosure requirements) Regulations, 2015.

   We were informed that the company, during the year, was not required to comply with the following regulations and consequently not required to maintain any books, papers, minute books or other records or file any forms/ returns under:

a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

b. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

c. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations 2021; and

d. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018;

(vi) In addition to the compliance with laws applicable to Factories and labour laws pertaining to the same, based on review of the reports of (1) Occupier/Manager of the factories plant 1 & 2 located in Manali which manufacture Petrochemicals (2) Internal Audit Reports (3) the compliance reports made by the functional heads of various departments which are submitted to the Board of Directors of the Company, we report that the Company has complied with the following industry specific statutes and the rules made there under to the extent it is applicable to them:

- Factories Act, 1948
- Drugs and Cosmetics Act, 1940
- The Environmental Impact Assessment Notification, 2006
- Explosives Act, 1884
- The Environment (Protection) Act, 1986 and Manufacture, Storage and Import of Hazardous Chemical Rules, 1989
- The Water (Prevention and Control of Pollution) Act, 1974
- The Air (Prevention and Control of Pollution) Act, 1981

In addition to the above the following acts with respect to establishing a factory and labour laws have also been complied with:

- Industrial Disputes Act, 1947
- The Payment of Wages Act, 1936
- The Minimum Wages Act, 1948
- Employees' State Insurance Act, 1948
- The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
- The Payment of Bonus Act, 1965
- The Payment of Gratuity Act, 1972
- The Contract Labour (Regulation & Abolition) Act, 1970
- The Maternity Benefit Act, 1961
- The Child Labour (Prohibition & Regulation) Act, 1986
- The Industrial Employment (Standing Order) Act, 1946
- The Employees' Compensation Act, 1923
- Workmen's Compensation Act 1923
- The Apprentices Act, 1961

- The Employment Exchange (Compulsory Notification of Vacancies) Act,1959
- Tamil Nadu Labour Welfare Fund Act, 1972
- Tamil Nadu Shops and Establishment Act, 1947
- The Tamil Nadu Industrial Establishments (National, Festival and Special Holidays) Act, 1958
- The Tamil Nadu Industrial Establishments (Conferment of Permanent Status to Workmen) Act, 1981
- The Tamil Nadu Panchayats Act, 1994
- The Legal Metrology Act, 2009
- Industries (Development & Regulation) Act, 1951
- Tamil Nadu Tax on Consumption or Sale of Electricity Act, 2003
- The Electricity Act, 2003
- The Energy Conservation Act, 2001
- The Public Liability Insurance Act, 1991
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

We further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act subject to the above.
- Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Based on the minutes made available to me, we report that Majority decision is carried through and that there were no dissenting votes from any Board members that are required to be captured and recorded as part of the minutes.

We further report that there are systems and processes in the company commensurate with the size and operations of the company to monitor, report deviations, if any, to the Board, take corrective actions and ensure compliance with applicable laws, rules, regulations and guidelines.

We further state that

1. In July 2019, the Principal Bench of the National Green Tribunal (NGT), New Delhi, initiated Suo moto proceedings including MPL. Following these orders, the TNPCB served demand notices requiring payment of ₹ 1 crore for each of its Plants 1 and 2. MPL disputed these allegations, providing supporting data and contesting the compensation demand. A meeting to address these concerns was scheduled for March 2020 but was postponed due to the COVID-19 pandemic. Subsequently, in September 2020, the Supreme Court stayed the enforcement of the NGT Principal Bench's order. In February 2022, the Supreme Court disposed of the case, directing individual industrial units to approach the relevant regional NGT Benches.

   TNPCB's response to the reply submitted by MPL in February 2020 is still pending, impacting plans for further action.

Name of Company Secretary in Practice: B.CHANDRA
C P No.: 7859
Partner, B Chandra & Associates
Practising Company Secretaries
UDIN A020879H001100342
Peer Review No. 1711/2022

Place: Chennai
Date : 13.08.2026

Annexure D

DISCLOSURE UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Details of top 10 employees in terms of remuneration received during the year are as below:

Name	Designation	Rem. ₹ lakh	Qualification	Exp. Yrs.	DOJ	Age	Last Employment
Chandrasekar R	MD & CEO – MPL Group	135.85	ACA	37	03.11.2022	62	SICAGEN India Limited – Wholetime Director
Shivaram N	Chief Operating Officer	112.50	B.Sc., (Chem) B.Tech., MBA	31	20.01.2025	57	Dow Chemical – Business Development Leader
Sridhar G R	Wholetime Director (Head of Plant Operations)	68.09	B. E (Chem)	35	17.01.2022	56	Ultra Marine Pigments – AVP (Operations)
Thangasagaran T@	GM – Projects & Technical Services	64.49	M. Tech (Chem)	34	04.11.1996	58	Thirumalai Chemicals
Dr. Sundar Saimani	Sr. GM - Sales & Marketing / R&D	64.17	MS (Chem), PhD in Polymer Chemistry	23	06.06.2025	53	Dow Chemical – PU Segment Leader - Mobility
Saravanan R	General Manager - Marketing	45.68	B.Tech (Chem)., PGDM (Sales & Marketing)	24	16.09.2024	44	Cabot Sanmar Limited – Sr. GM.
Kaleeswaran A	Manager – R&D	34.72	B.Sc. (Chem), BGDPPT, MBA (OMEM)	21	01.03.2024	46	BASF India - Dy. Manager (R&D)
Raghuraman R	Sr. Manager – Projects	31.46	B.Tech (Chem), M.Tech (Petroleum Refinery & Petrochemicals)	15	22.09.2011	39	-
Muthu R	DGM - HR	31.14	Master's in Human Resources	21	28.08.2024	44	SMRC Automotive Products Ltd. – DGM HR
Swamydurai AR	DGM – Operations	30.53	DCT	36	17.07.1989	55	-

Notes:

1. The above employments are contractual.
2. The remuneration shown above includes contributions to Provident and other Funds.
3. None of the above-mentioned employees neither hold shares in the Company nor related to directors of the Company

Others:

@ Retired from the services w.e.f. close of business hours on 30.01.2026. His remuneration includes retiral benefits.

Annexure E

PARTICULARS AS REQUIRED UNDER RULE 3 OF THE COMPANIES (ACCOUNTS) RULES, 2014

FOR THE YEAR ENDED 31st MARCH 2026

The Details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as prescribed under Section 134(3)(m) of the Companies Act, 2013, are furnished below for the year ended 31st March 2026, to the extent applicable:

A. Conservation of Energy

i. Steps taken for utilizing alternate sources of energy:

✓ In Plant 1, an in-house solar power system, integrating rooftop is commissioned, which is generating close to 1200 units. Erection of floating array solar power system completed. The same is expected to be commissioned in Q2 of FY 2026-27.

ii. Other Measures:

✓ For all new projects, the use of IE4 motors is mandated wherever possible. For existing IE1 and IE2 motors, replacements are being carried out in a phased manner. IE4 motors offer the highest energy efficiency available, leading to significant energy savings, lower operational costs, reduced carbon footprint, and enhanced long-term reliability.

B. Technology Absorption

i. Efforts made in technology absorption and benefits derived like product improvement, cost reduction, product development or import substitution:

✓ Technology for manufacture has already been fully absorbed at the time of setting up the plant in the initial years for manufacture of Propylene Oxide, Propylene Glycol and Polyols. In the recent past, no new technology was imported by the Company for these operations.

✓ Propylene Glycol Expansion facility (PG-Plant -B) got commissioned in the month of October 2025. As of now, the capacity utilization of this facility is 65% on an average.

✓ In Plant – 1, Saponifier column in PO plant is installed with advanced valve trays which is offering low pressure drop and will reduce PO production loss which is incurred due to frequent acid wash. Expected to get commissioned in April 2026.

✓ A new boiler has also been installed at Plant-2 with the latest technology, including a Low NOx burner. This will help reduce nitrogen oxide emissions, improve combustion efficiency, and lower the overall environmental footprint of operations.

✓ In Plant – 1, conventional instrument air and Nitrogen plant replaced with integrated instrument air and nitrogen generation system which is based on latest technology of SICGILSOL comprising energy efficient screw compressor and nitrogen generation system. Instrument air system got commissioned in February 2026. Nitrogen generation system expected to get commissioned in Q2 of FY 2026-27.

C. Foreign Exchange Earnings and Outgo

During the year under review, actual inflow of foreign exchange was ₹ 858.80 lakh and actual outflow was ₹ 22,068.60 lakh

For and on behalf of the Board

Ashwin C Muthiah
DIN: 00255679
Chairman

Place: Singapore
Date: 13.08.2026

Annexure F

ANNUAL REPORT ON CSR ACTIVITIES FOR FY 2025-26

1. Brief outline of the Company's CSR Policy and related information

The Policy

MPL appreciates that in any society inclusive growth of all the segments is of paramount importance. The Business Community owes its existence and growth to the other components of the Society at large. MPL is committed to contribute its mite for the sustained growth of the Society through various plans and programmes. MPL also believes that as a responsible organization, it can, together with similar such entities, transform the neglected sections of the Society through concerted efforts.

MPL also endeavors to ensure environmental sustainability by adopting best environmental practices and encourages conservation/judicious use of natural resources. MPL looks beyond mere financial resources and aims to undertake such of the activities, which will provide long term benefits to the weaker sections and make them competent to face off the challenges in life. The detailed CSR Policy is available in the website of the Company and the web link is https://www.manalipetro.com/about-us/csr/

2. Composition of the CSR Committee as at 31st March 2026

S. No.	Name of the Director	Designation/ Nature	Number of meetings of CSR Committee held during the year	Number of meeting of CSR Committee eligible to attend	Number of meetings of CSR Committee attended during the year
1.	Mr. Govindarajan Dattatreyan Sharma	Chairperson / Independent Director	2	2	2
2.	Dr. N Sundaradevan IAS (Retd)	Member / Independent Director	2	2	2
3.	Ms. R Bhuvaneswari	Member / Non-Executive Director	2	2	2
4.	Mr. R Chandrasekar	Member / Managing Director & CEO-MPL Group	2	2	2

3. Web-link where composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

- Composition of the Committee : https://www.manalipetro.com/about-us/board-of-directors/
- CSR Policy and CSR Projects approved by the Board : https://www.manalipetro.com/about-us/csr/

4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014: **Not applicable**

5. a) Average net profit of the Company as per sub-section (5) of Section 135: ₹ **2,358 Lakh**

b) Two percent of the average net profit of the Company: ₹ **47.16 Lakh**

c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : ₹ **2.90 Lakh**

d) Amount required to be set off for the financial year: **Nil**

e) Total CSR obligation for the financial year: ₹ **47.16 Lakh**

6. a) Amount spent on CSR Projects (both Ongoing project and others): ₹ **476.64 Lakh***

b) Amount spent in Administrative overheads : **Nil**

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

d) Total amount spent for the financial year : ₹ **39.36 Lakh****

(the said amount pertains to FY 2022-23 to FY 2025-26)*

*(** During FY 2025–26, the Company incurred total CSR expenditure of ₹39.36 lakh, comprising ₹36.46 lakh towards the Company's CSR obligation for the financial year and ₹2.90 lakh utilised out of surplus arising from CSR activities/projects. The surplus amount was utilised exclusively for CSR purposes in accordance with Rule 7(2) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and did not form part of the business profits of the Company).*

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

					(₹ in Lakh)
Total Amount Spent for the Financial Year.	**Unspent Amount**				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		**Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)**		
	Amount	**Date of transfer**	**Name of the Fund**	**Amount**	**Date of transfer**
39.36	12.00	30-04-2026	Not Applicable		

f) Excess amount for set-off: **NA**

7. Details of Unspent CSR amount for the preceding three Financial Year: **(₹ in Lakh)**

Sl. No.	**Preceding Financial Year**	**Total Amount transferred to Unspent CSR Account as per Section 135(6)**		**Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)**	**Amount spent in the Financial Year (in ₹)**	**Amount transferred to a fund as specified under Schedule VII as per section 135(5), if any.**		**Amount remaining to be spent in succeeding financial years. (in ₹)**
						Amount (In. ₹)	**Date of Transfer**	
1	2022-23	470*	29-04-2023	77	77	NA	NA	0
2	2023-24	470*	29-04-2024	274	185.77	NA	NA	88.23
3	2024-25	220*	30-04-2025	220	174.51	NA	NA	45.49

** Amount transferred to unspent CSR account is in excess of amount required to be transferred under Section 135(6) of the Companies Act, 2013.*

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

9. **Reasons for amount not spent :**

Against the total CSR obligation of ₹ 47.16 lakh for the year 2025-26, a sum of ₹ 39.36 Lakh was spent and the balance of ₹ 12 lakh relating to ongoing projects identified by the Board as prescribed under the relevant provisions of the Act and the Rules made thereunder has been deposited in a special account with a scheduled bank and will be spent towards the said projects in accordance with the CSR Rules.

For and on behalf of the Board of Directors

	R Chandrasekar	G D Sharma
Place: Chennai/Bengaluru	DIN: 06374821	DIN: 08060285
Date: 13.08.2026	**Managing Director & CEO – MPL Group**	**Chairperson of CSR Committee**

MANALI PETROCHEMICALS

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

(As on 31st March 2026)

BRSR OVERVIEW

SECTION A – General disclosures

SECTION B – Management and process disclosures

SECTION C – Principle-wise performance disclosure

Principle 1	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable
Principle 2	Businesses should provide goods and services in a manner that is sustainable and safe
Principle 3	Businesses should respect and promote the well-being of all employees, including those in their value chains
Principle 4	Businesses should respect the interests of and be responsive to all its stakeholders
Principle 5	Businesses should respect and promote human rights
Principle 6	Businesses should respect and make efforts to protect and restore the environment
Principle 7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
Principle 8	Businesses should promote inclusive growth and equitable development
Principle 9	Businesses should engage with and provide value to their consumers in a responsible manner

SECTION A – GENERAL DISCLOSURES

I. Details of the listed entity: -

1	Corporate Identity Number (CIN) of the Listed Entity	L24294TN1986PLC013087
2	Name of the Company	Manali Petrochemicals Limited
3	Date of Incorporation	11th June 1986
4	Registered office address	SPIC House, No. 88, Mount Road, Guindy, Chennai - 600 032
5	Corporate address -	SPIC House, No. 88, Mount Road, Guindy, Chennai - 600 032
6	E-mail	companysecretary@manalipetro.com
7	Telephone	044-22351098
8	Website	www.manalipetro.com
9	Financial year for which reporting is being done	1st April 2025 to 31st March 2026
10	Name of the Stock Exchange(s) where shares are listed	a. National Stock Exchange of India Limited (NSE) b. BSE Limited (BSE)
11	Paid-up Capital (₹ in Lakh)	₹ 8,603.47 lakh

12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report

Sr. No.	Particulars	Details
1	Name	Mr. G R Sridhar
2	Designation	Wholetime Director (Head of Plant Operations)
3	Telephone	044 22351098
4	Email Address	brr@manalipetro.com

13. Reporting boundary – Are the disclosure under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements taken together)

   - Disclosures in this report are made on standalone basis and pertains only to Manali Petrochemicals Limited. The overseas subsidiaries are in compliance with the necessary laws applicable in Host Country. The Wholly Owned Indian subsidiary is yet to commence its operations.

14. Whether the Company has undertaken assessment or assurance of the BRSR Core? **No**
15. Name of the Assurance Provider **NA**
16. Type of the Assurance Provider **NA**

II. Products / Services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing of Chemicals	Manufacturing & Supply of Propylene Oxide, Propylene glycols, polyols and Propylene Glycol Mono Methyl Ether, etc.	93%

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Propylene Oxide	20119	3.39%
2	Propylene glycols	20119	42.65%
3	Polyols	20119	43.89%
4	Propylene Glycol Mono Methyl Ether	20119	2.95%

III. Operations

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

Location	Number of Plants	Number of offices	Total
National	2	1	3
International	-	-	-

20. Markets served by the entity:

a. Number of locations

A	Number of Locations	
	Locations	**Number**
	National (No. of States)	All States in India
	International (No. of Countries)	2
B	What is the contribution of exports as a percentage of total turnover of the entity?	1%
C	A brief on types of customers.	The Company serves customers in the fragrance, pharmaceutical, food, automotive, footwear, cold-storage, building and construction, and mattress industries.

IV. Employees

21. Details as at the end of Financial Year:

A. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female		Other	
			No. (B)	% (B/A)	No. (C)	% (C/A)	No. (H)	% (H/A)
	EMPLOYEES							
1.	Permanent (D)	309	271	88%	38	12%	-	-
2.	Other than Permanent (E)	3	3	100%	0	-	-	-
3.	Total employees (D + E)	312	274	88%	38	12%	-	-
	WORKERS							
4.	Permanent (F)	28	27	96%	1	4%	-	-
5.	Other than Permanent (G)	489	449	92%	40	8%	-	-
6.	Total workers (F + G)	517	476	92%	41	8%	-	-

B. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female		Other	
			No. (B)	% (B/A)	No. (C)	% (C/A)	No. (H)	% (H/A)
	EMPLOYEES							
1.	Permanent (D)	0	0	-	0	-	-	-
2.	Other than Permanent (E)	0	0	-	0	-	-	-
3.	Total differently abled employees (D + E)	0	0	-	0	-	-	-
	WORKERS							
4.	Permanent (F)	1	0	-	1	100%	-	-
5.	Other than Permanent (G)	0	0	-	0	-	-	-
6.	Total differently abled workers (F + G)	1	0	-	1	100%	-	-

22. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	12	3	25%
Key Management Personnel	2	1	50%

Note: Mr. R Chandrasekar, Managing Director and CEO-MPL Group and Mr. G R Sridhar, Wholetime Director (Head of Plant Operations) were included in the Board and not included in KMP for the above purpose.

23. Turnover rate for permanent employees and workers – % wise data required

	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	**12%**	**24%**	**14%**	18%	27%	20%	19%	39%	19%
Permanent Workers	**0**	**0**	**0**	0	0	0	14%	0	14%

Percentages are rounded to the nearest whole number as applicable.

V. Holding, subsidiary and associate companies (including joint ventures)

24. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	AMCHEM Speciality Chemicals Private Limited, Singapore	*Wholly owned Subsidiary*	100%	No
2.	Manali Speciality Private Limited, India#	*Wholly owned Subsidiary*	100%	No
3.	PennWhite Limited, UK	*Wholly owned Step-down Subsidiary*	100%	No
4.	PennWhite India Private Limited, India	*Wholly owned Step-down Subsidiary*	100%	No

Yet to commence its operations.

During FY 2025–26, AMCHEM Speciality Chemicals Private Limited, Singapore sold its entire shareholding in Notedome Limited, UK. Consequently, Notedome Limited and its subsidiary, Notedome Europe GmbH, ceased to be subsidiaries of the Company with effect from 17th November 2025.

VI. CSR Details

25	(i)	Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes
	(ii)	Turnover (Rs. in crores)	786.34
	(iii)	Net worth (Rs. in crores)	976.53

VII. Transparency and Disclosure Compliances

26. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No/ NA) (If yes, then provide web-link for grievance redress policy)##	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Remarks							
Communities	Yes	-	-	NA	-	-	NA
Investors (Other than shareholders)	Yes	-	-	NA	-	-	NA
Shareholders	Yes	45	1*	NA	30	5	NA
Employees & Workers	Yes	-	-	NA	-	-	NA
Customers	Yes	-	-	NA	-	-	NA
Value Chain Partner	Yes	-	-	NA	-	-	NA
Others (Pls Specify)	-	-	-	-	-	-	-
##Web link	Policy is available on the website of the Company https://www.manalipetro.com/						

Note: *The pending complaint as on 31st March 2026 was resolved during April 2026.

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

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

Employee level Sub-committee is formed to collate the risk on operations, business, cyber security & statutory. The committee meets once in a quarter and compile the findings, the same forwarded to APEX committee for taking necessary actions. Identification of risks along with suitable mitigation plans are deliberated and agreed at the Risk Management Committee and updated to the Board suitably for any further approval/action, if any.

Sl. No.	Material identified issue	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Corporate Governance & Business Ethics	Opportunity	**Opportunity** Strong corporate governance is essential for attaining the overall mission of the Company and reinforces stakeholder trust, Company reputation and business growth.	Not a risk	**Positive -** Effective Leadership steers business change and has the power to create industry-leading benchmarks
2	Wastewater Management	Risk	**Risk** Environment issues arising due to disposal of effluent to sea.	Full-fledged ETP system is in place to treat the Trade effluent with Biological Oxidation technology and the treated effluent discharges are meeting the prescribed norms of PCB for marine disposal. All the disposal parameters like flow, COD, BOD, pH, TSS, Temperature are connected to online servers of TNPCB & CPCB.	**Positive -** CSIR-NEERI, Nagpur conducted their study to ascertain the feasibility of partial or complete reuse of treated effluent. The findings of the study were received in August 2026 and it suggested for implementation of a partial Zero Liquid Discharge (ZLD) system using High-Pressure Reverse Osmosis (HPRO) technology. Implementation will be subject to receipt of the necessary regulatory approvals. The Company proposes to undertake the required investments in a phased manner, in line with applicable statutory requirements.

Sl. No.	Material identified issue	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	GHG emissions	Risk/ Opportunity	**Risk** Company's manufacturing processes involve energy consumption which also results in GHG emissions. Increasing regulations and stakeholder expectation on reduction of GHG emissions requires adoption of renewable energy / new technology which may have financial impact on the Company. **Opportunity** Reduction in energy consumption and in turn reduction in emission through improved management at factories/ offices has two-fold impact - Lower energy cost and enhanced competitiveness through optimum utilisation of resources. Reduced impact on the environment and community in which we operate.	- Installation of energy-efficient machinery and equipment across our Plants - Close monitoring and supervising of the energy consumption at our Plants and taking remedial action, wherever required - Focussed approach on avoiding wasteful consumption. Conducting training and development programmes on energy- saving and emission reduction practices to all employees / workers. - Carrying out periodical internal and external energy audits. - Increasing renewable energy (RE) consumption to reduce Carbon emissions	**Positive** Company has planted 15 hectares of plantation which is 40% of total land extent to reduce the GHG emissions. Company is exploring the advanced technological machineries to improve the energy efficiency in the areas of utilities and boilers. Regulatory authority will be carrying out a study on pollution load carrying capacity covering all industries in Manali Industrial area. A new boiler has also been installed at Plant-2 with the latest technology, including a Low NOx burner. This will help reduce nitrogen oxide emissions, improve combustion efficiency, and lower the overall environmental footprint of operations.
4	Energy management	Opportunity	Adopting energy efficient solutions. Reducing the consumption of thermal energy and switching over to renewable energy.	Not a risk.	**Positive -** Company has tied up with third parties for procurement of renewable power (Solar & Wind) as part of sustainable green initiative which will help reduce reduction in GHG emissions. Company is also exploring advanced technological machineries to improve the energy efficiency in the areas of utilities and boilers.

Sl. No.	Material identified issue	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Supply Chain Management	Risk / Opportunity	**Risk** Inefficiencies in the supply chain and high dependency on limited suppliers / vendors can cause supply chain disruptions in case of external shocks. **Opportunity** Maintaining strong and long-standing relationship with suppliers/ vendors through effective relationship management and drive responsible procurement/ sourcing practices.	Regular stakeholder interactions while adding value to their business relationships since the beginning have resulted in Company holding on to its decades-old supplier base. Engaging in awareness, Communication, a n d interaction sessions with suppliers result in positive relationship bonding and enhancing responsible and sustainable operations in supply chain.	**Positive -** The Company strengthens supply continuity through alternate sourcing, inventory planning and evaluation of alternative procurement arrangements for key raw materials, where technically and commercially feasible.
6	Employees	Risk / Opportunity	**Risk** Health and safety of employees are critical aspect for ensuring employee welfare and overall productivity. **Opportunity** Participation of employees from diverse backgrounds creates an inclusive business ecosystem which will be conducive for talent retention.	Company has established and implemented effective mechanisms to protect employees from workplace hazards / injuries. Recurrent training programs are conducted to all relevant stakeholders in order to mitigate health and safety risks from our business operations / activities.	**Positive** Workforce diversity fosters creativity, improves performance, and enables a healthy organisational culture by bringing fresh perspectives, experiences, and ideas. **Negative -** Any health & safety incident occurrence has the potential to result in loss of productive work time, delay in business response and eventually leading to financial loss.
7	Community Development	Opportunity	**Opportunity** Improving the infrastructure of the nearby schools, providing drinking water facilities and arranging medical camps and investing in holistic development of the community.	Not a risk	**Positive -** Results in higher brand value as a socially conscious Company.

SECTION B – MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements. At MPL, we have a robust management framework in place which enables us to align with the NGRBC Principles with respect to structure and policies to ensure we continue to deliver our best in an ethical, and responsible way. This includes transparent and ethical business practices that hold us accountable, as well as protect the interests of our stakeholders, including customers and employees.

Principle 1	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable
Principle 2	Businesses should provide goods and services in a manner that is sustainable and safe
Principle 3	Businesses should respect and promote the well-being of all employees, including those in their value chains
Principle 4	Businesses should respect the interests of and be responsive to all its stakeholders
Principle 5	Businesses should respect and promote human rights
Principle 6	Businesses should respect and make efforts to protect and restore the environment
Principle 7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
Principle 8	Businesses should promote inclusive growth and equitable development
Principle 9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
Policy and Management Processes									
1. a) Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/ No/NA)	Yes								
b) Has the policy been approved by the Board? (Yes/No/NA)	Yes								
c) Web Link of the Policies, if available	https://www.manalipetro.com/								
2. Whether the entity has translated the policy into procedures. (Yes/No/NA)	Yes								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	No								
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The Company has obtained the following Certifications / Certificates: - ISO 9001:2015 (Quality Management System) - ISO 14001:2015 (Environmental Management System) - ISO 45001:2018 (Occupational Health & Safety) - FSSC 22000 (Food Safety Management Systems (FSMS) - ISO 50001: 2018 (Energy Management Systems) obtained during Q1 - FY 2026-27 - Halal & Kosher Certificates - ISCC+ Certification for sustainable carbon credit								

<table>
<tr><th>Disclosure Questions</th><th>P1</th><th>P2</th><th>P3</th><th>P4</th><th>P5</th><th>P6</th><th>P7</th><th>P8</th><th>P9</th></tr>
<tr><td>5. Specific commitments, goals and targets set by the entity with defined timelines, if any.</td><td colspan="9">The Company is evaluating formal, time-bound ESG targets. Existing operational initiatives are monitored through relevant functional plans.</td></tr>
<tr><td>6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.</td><td colspan="9">Performance against such targets/ goals to be assessed post finalization of targets and timelines determined.</td></tr>
<tr><td colspan="10">Governance Leadership and Oversight</td></tr>
<tr><td colspan="10">7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)

At Manali Petrochemicals Limited (MPL), sustainability is fundamental to our business strategy and long-term value creation. As the largest Indian manufacturer of Propylene Oxide and Propylene Glycol, MPL recognize that its responsibility extends beyond manufacturing excellence to protecting the environment, creating positive social impact, and upholding the highest standards of corporate governance. Our aspiration is to be the most innovative, customer-centric, and sustainable chemical manufacturing company by embedding Environmental, Social, and Governance (ESG) principles into every aspect of our operations and business decisions.

The global transition towards a low-carbon economy presents both challenges and opportunities for the chemical industry. Rising stakeholder expectations, climate change, resource conservation, and evolving environmental regulations continue to shape our sustainability agenda. At MPL, these challenges are viewed as opportunities to innovate, enhance operational excellence, and build long-term business resilience.

Climate action remains one of our strategic priorities. Since February 2025, both our manufacturing units have been operating on Regasified Liquefied Natural Gas (R-LNG), replacing conventional fuels with a cleaner alternative for thermal energy generation and significantly reducing greenhouse gas emissions. MPL have also developed and maintained more than 19 hectares of greenbelt, comprising around 30,000 trees and covering nearly 40% of our total land area. This extensive greenbelt contributes to carbon sequestration, biodiversity conservation, improved ambient air quality, and the creation of a healthier ecosystem around our manufacturing facilities.

During FY 2025–26, the Company strengthened its renewable energy portfolio with the commissioning of the Fixed Roof Solar Project at Plant-I, which generated 488 GJ of renewable energy and contributed approximately 1% of the plant's annual electricity requirement. To further accelerate decarbonization journey of the Company, the Fixed Roof Solar Project at Plant-II and the Floating Solar Project are scheduled for commissioning during FY 2026–27. In addition, the Company commenced sourcing renewable electricity through captive power purchase arrangements, enabling approximately 58% of its annual electricity requirement during FY 2025–26 to be met through solar and wind energy. This marks a significant milestone in MPL's transition towards cleaner energy and lower carbon emissions.

Improving energy efficiency remains an integral part of our operational excellence programme. During the year, the Company implemented several initiatives, including the installation of IE3 premium-efficiency motors, a Thermax Electrical Heat Pump utilizing waste heat recovery, high-efficiency screw air compressors, Variable Frequency Drive (VFD)-based instrument air compressors, and recovery of process off-gases for use as boiler fuel. Collectively, these initiatives have delivered measurable energy savings, improved resource efficiency, and reduced greenhouse gas emissions. We are also implementing advanced heat recovery projects, including installation of a spiral condenser package for boiler feed water preheating, to further improve thermal efficiency and optimize energy utilization.</td></tr>
</table>

	Responsible environmental management remains central to the Company's operations. Emissions from both manufacturing plants are continuously monitored through in-house systems and NABL-accredited laboratories. To further strengthen environmental surveillance, the Company has installed two Ambient Air Quality Monitoring Stations (AAQMS) within its manufacturing premises for continuous monitoring of ambient air quality. The monitored values have consistently remained within the prescribed statutory limits, reflecting MPL's unwavering commitment to environmental compliance and responsible manufacturing. Water stewardship is another important pillar of MPL's sustainability strategy. During the year, the Company commissioned three rainwater harvesting systems within its manufacturing premises to conserve freshwater resources, improve groundwater recharge, and enhance long-term water security. These initiatives reinforce the Company's commitment to responsible resource management and sustainable water use. MPL's commitment to sustainability extends beyond environmental stewardship. Through the Company's Corporate Social Responsibility (CSR) initiatives, it continue to support preventive healthcare, sanitation, community infrastructure, and the welfare of persons with disabilities, creating a meaningful and lasting positive impact in the communities where we operate. We firmly believe that sustainable development can only be achieved through inclusive growth, stakeholder collaboration, and shared prosperity. Strong corporate governance is the cornerstone of our sustainable growth. The Company continues to strengthen its governance framework through ethical business practices, robust risk management, regulatory compliance, transparent stakeholder engagement, and a culture of integrity and accountability. These principles reinforce stakeholder confidence and support the Company's long-term sustainable value creation. Looking ahead, MPL remains committed to accelerating its decarbonization journey by increasing the share of renewable energy, improving resource efficiency, adopting cleaner technologies, strengthening climate resilience, and integrating circular economy principles across our operations. Sustainability will continue to drive innovation, competitiveness, operational excellence, and long-term value creation.	
8.	**Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).**	Mr. G R Sridhar Wholetime Director (Head of Plant Operations) DIN: 10596912
9.	**Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No/NA). If yes, provide details.**	Yes, the Board of Directors of the Company is responsible for sustainability related issues.

10. Details of Review of NGRBCs by the Company

Subject for Review	**Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee**									**Frequency (Annually/ Half - yearly/ Quarterly/ Any other – please specify)**								
	P 1	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**	**P 1**	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**
Performance against above policies and follow up action	All the policies of the Company are approved by the Board and reviewed periodically or on a need basis. During the review, the effectiveness of the policies is evaluated and necessary amendments to policies and procedures are implemented.																	

Description of other committee for performance against above policies and follow up action	Not Applicable
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company complies with the existing regulations and principles as applicable.
Description of other committee for compliance with statutory requirements of relevance to the principles and rectification	Not Applicable
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). **If yes, provide the name of the agency.**	Yes. DNV India conducts audits on ISO 14001, ISO 9001, ISO 45001 and FSSC 22000. During the external audit, working of the related policies of the Company is evaluated by assessing policy elements, procedures, action plan etc. The Company has obtained ISO 50001:2018 certification for Energy Management System during Q1 FY 2026-27.

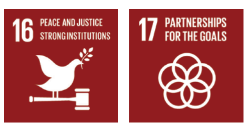
12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

<table>
<tr><th>Questions</th><th>P 1</th><th>P 2</th><th>P 3</th><th>P 4</th><th>P 5</th><th>P 6</th><th>P 7</th><th>P 8</th><th>P 9</th></tr>
<tr><td>The entity does not consider the Principles material to its business (Yes/No)</td><td colspan="9" rowspan="6">Not Applicable</td></tr>
<tr><td>The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)</td></tr>
<tr><td>The entity does not have the financial or/human and technical resources available for the task (Yes/No)</td></tr>
<tr><td>It is planned to be done in the next financial year (Yes/No)</td></tr>
<tr><td>Any other reason (please specify)</td></tr>
<tr><td>Notes</td></tr>
</table>

SECTION C – PRINCIPLE WISE PERFORMANCE DISCLOSURE

Principle 1 – Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable

Ethics and integrity are imperative to build a sustainable business and to achieve continuous excellence in operations. At MPL, we promote a corporate governance structure that is robust in nature and respects the values of responsibility, transparency and honesty. As an accountable business entity, we share the commitment of effective governance, and we strive to provide the right culture and practises to actively manage risks while preserving the highest standards of business conduct throughout the organisation.



SDG Linkage

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of directors	2 Nos.	The Company ESG strategy, Risks and regulatory changes/ updates.	100%
Key managerial personnel	2 Nos.		
Employees other than BoD and KMPs	21 Nos.	Business principles for responsible organization code of conduct, principles of corporate governance, business continuity plan, 5S awareness, awareness on health, policy, safety & DEI and Workshop on Prevention of Sexual Harassment at Workplace (POSH).	100%
Workers	5 Nos.	EHS trainings.	100%

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

Monetary					
	NGRBC Principle	Name of the regulatory / enforcement agency / judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	Nil	-	-	-	-
Settlement	Nil	-	-	-	-
Compounding fee	Nil	-	-	-	-

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

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NA	

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

Yes, the Company has zero tolerance of any practice that may be classified as corruption, bribery or giving or receipt of the bribes and the same has been mentioned in its code of conduct. The objective of this policy is to serve as a guide for all directors, executives and associated persons for ensuring compliance with applicable anti – bribery laws, rules and regulations.

The policy is available on the website of the Company https://www.manalipetro.com/

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

	FY 2025-26	FY 2024-25
Directors	**NA**	NA
KMPs	**NA**	NA
Employees	**NA**	NA
Workers	**NA**	NA

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

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

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

Not Applicable

8. Number of days of accounts payables (Accounts payable *365) / Cost of goods/services procured) in the following format:

Number of days of accounts payables	**FY 2025-26**	**FY 2024-25**
i) Accounts payable x 365 days	**36,75,185**	28,00,280
ii) Cost of goods/services procured	**75,637**	64,291
iii) Number of days of accounts payables	**49**	44

9. Openness of Business

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

(In ₹)

Parameter	Metrics			FY 2025-26	FY 2024-25
Concentration of Purchases	a.	i)	Purchases from trading houses	**50,12,95,136**	67,09,91,342
		ii)	Total purchases*	**747,58,32,158**	602,53,00,000
		iii)	Purchases from trading houses as % of total purchases	**6.71%**	11.14%
	b.		Number of trading houses where purchases are made from	**185**	139
	c)	i)	Purchases from top 10 trading houses	**34,63,15,275**	52,22,10,177
		ii)	Total purchases from trading houses	**50,12,95,136**	67,09,91,342
		iii)	Purchases from top 10 trading houses as % of total purchases from trading houses	**69.08%**	77.83%
Concentration of Sales	a.	i)	Sales to dealers/distributors	**144,39,67,909**	179,00,40,645
		ii)	Total Sales	**786,34,06,749**	647,51,48,000
		iii)	Sales to dealer / distributors as % of total sales	**18.36%**	27.64%
	b.		Number of dealers/distributors to whom sales are made	**7**	6
	c.	i)	Sales of top 10 dealers/ distributors	**144,39,67,909**	179,00,40,645
		ii)	Total Sales to dealer / distributors	**144,39,67,909**	179,00,40,645
		iii)	Sales to top 10 dealers / distributors as % of total sales to dealer / distributors	**100.00%**	100.00%
Share of RPTs in	a.	i)	Purchases (Purchases with related parties)	**56,83,31,559**	174,73,37,000
		ii)	Total Purchases	**747,58,32,158**	602,53,00,000
		iii)	Purchases (Purchases with related parties as % of Total Purchases)	**7.60%**	29%
	b.	i)	Sales (Sales to related parties)	**13,19,33,728**	61,62,31,036
		ii)	Total Sales	**786,34,06,749**	647,51,48,000
		iii)	Sales (Sales to related parties as % of Total Sales)	**1.68%**	9.52%
	c.	i)	Loans & advances given to related parties	**-**	**-**
		ii)	Total loans & advances	**-**	-
		iii)	Loans & advances given to related parties as % of Total loans & advances	**-**	-
	d.	i)	Investments in related parties	**-**	8,50,000
		ii)	Total Investments made	**404,85,30,000**	413,64,57,000
		iii)	Investments in related parties as % of Total Investments made	**-**	0.02%

** Total Purchases includes all types of procurement such as raw material, spares, services, capex procurement items etc.*

Leadership Indicators

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

Total number of awareness programmes held	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
0	Nil	NA

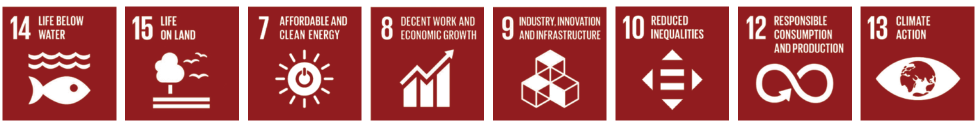
2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.**

   Yes. The Company has laid down a Code of Conduct for all Board Members and senior management of the Company. The Code of Conduct has necessary provisions to avoid / manage conflict of interests. Further, the Directors and Senior management are required to disclose to the Board, on an annual basis, whether they, directly or indirectly or on behalf of third parties, have material interest in any transaction or matter directly affecting the Company.

Principle 2 – Businesses should provide goods and services in a manner that is sustainable and safe.

Company supports ethical and sustainable procurement of goods and services. We have a sustainable procurement policy in place that encourages responsible behaviour across the value chain. By doing so, we aim to reduce negative environmental impact and contribute to a better society in addition to generating overall value for our stakeholders.

SDG Linkage



Essential Indicators

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

	FY 26 (Current financial year)	FY 25 (Previous financial year)	**Details of improvements in environmental and social impacts**
R&D	**0**	0	The Company is undertaking steps to replace HCFC/ HFC-245-based blowing agents with cyclopentane in polyurethane foam production. The objective of this initiative is to reduce the environmental footprint of the product by adopting a blowing agent with significantly lower global warming potential (GWP), while maintaining product quality and process efficiency. The project also supports compliance with national and international commitments on ozone protection and greenhouse gas emission reduction.
Capex	**100%**	100%	

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

Yes. The major raw material procured by the Company is Propylene, which is sourced from CPCL through a dedicated pipeline network and accounts for approximately 80% of the total raw material procurement cost. Sourcing Propylene through pipelines is a sustainable and efficient mode of transportation that significantly reduces energy consumption, greenhouse gas (GHG) emissions, and air pollutants such as nitrogen oxides (NOx), sulphur oxides (SOx), carbon monoxide (CO), and volatile organic compounds (VOCs) compared to conventional transportation methods such as road or rail. This pipeline-based supply system also enhances operational reliability, minimizes handling risks, reduces traffic congestion, and supports the Company's commitment to sustainable operations and environmental stewardship.

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

Around 80% of the inputs were sourced sustainably.

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

Propylene Oxide is captively consumed to produce Propylene Glycol & Polyols. Propylene Glycol is a consumable used in Pharma & Fragrance Industries as carrier and Polyol is used as one of the ingredients to manufacture foam for seating, mattress, refrigeration, automotive segment usage and also used in Building & Construction industry. Therefore, there is no scope for reusing / recycling products at the end of life. Further, there is no generation of plastic waste (including packaging), e-waste, hazardous waste through-out the product life.

(a) Plastics (including packaging)	NA
(b) E-waste	NA
(c) Hazardous waste and	NA
(d) other waste	NA

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

No. Not applicable.

Leadership Indicators

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

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life cycle Perspective / Assessment was conducted	Whether conducted by independent external agency	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
20119	Propylene Glycol	42.65%	Cradle – Cradle	No (in-house)	No
20119	Polyol	27.97%	Cradle – Cradle	No (in-house)	No
20119	System Polyol	15.92%	Cradle – Cradle	No (in-house)	No
20119	Propylene Glycol Mono Methyl Ether	2.95%	Cradle – Cradle	No (in-house)	No
20119	Propylene Oxide	3.39%	Cradle – Cradle	No (in-house)	No

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

Name of the Product	Description of Risk / Concern	Action Taken
Propylene Oxide	Effluent water generate from the process is treated to comply the norms of Marine discharge before discharging into the Sea.	Full-fledged Bio treatment system is in place and the parameters are maintained and monitored through online instruments; the same were connected to CPCB & TNPCB portals.
Propylene Glycol	Every batch must comply with the requirement of IP, USP & BP standards.	Each batch were tested as per the regulations of IP, USP & BP and then drummed with clear certification protocols
System Polyol/ blended polyol	Hydrofluorocarbons (HFCs) are one of the main raw materials for system polyol and non-ODS (Ozone-Depleting Substances) but have high global warming potential (GWP). Recognizing that the production and consumption of HFCs is growing exponentially that will have an adverse impact on climate.	Started consuming UNDP approved blowing agents. This will avoid impact on GWP.

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

Indicate Input Material	Recycled or Reused input material to Total Material	
	FY 2025-26	FY 2024-25
Recycle of DM unit regeneration effluent & Cooling tower blow down to the Milk of Lime unit in both Plant – 1 & Plant – 2.	**5.14%**	7.31%

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

Not applicable as Propylene Oxide is captively consumed to produce Propylene Glycol & Polyols. There is no product reclamation at the end of product life. However, the waste material generated at the manufacturing plant are disposed as per the applicable regulatory requirements.

	FY 2025-26			FY 2024-25		
	Reused	**Recycled**	**Safely Disposed**	Reused	Recycled	Safely Disposed
Plastics (Including Packaging)	**NA**			NA		
E-waste						
Hazardous waste						
Other waste						

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable *	-

* Not applicable as our products are consumables.

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Cultivating a positive environment for employees is essential to achieve sustained growth. Our goal is to foster a workplace where everyone feels valued and hence, we consistently seek to enhance the well-being of our employees whilst upholding a safe and productive workplace. We have implemented measures to enhance employee diversity, equal opportunity, and non-discrimination throughout the organisation and we also extend benefits that ensure wellbeing for all.

SDG Linkage

Essential Indicators

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	271	271	100%	271	100%	0	-	0	-	0	-
Female	38	38	100%	38	100%	38	100%	0	0	38	100%
Total	**309**	**309**	**100%**	**309**	**100%**	**38**	**12%**	**0**	**0**	**38**	**12%**
Other than Permanent employees											
Male	3	3	100%	3	100%	0	-	0	-	0	-
Female	0	0	-	0	-	0	-	0	-	0	-
Total	**3**	**3**	**100%**	**3**	**100%**	**0**	**-**	**0**	**-**	**0**	**-**

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

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	27	27	100%	27	100%	0	0	0	0	0	-
Female	1	1	100%	1	100%	1	100%	0	0	1	100%
Total	**28**	**28**	**100%**	**28**	**100%**	**1**	**4%**	**0**	**0**	**1**	**4%**
Other than Permanent workers											
Male	449	449	100%	449	100%	0	-	0	-	0	-
Female	40	40	100%	40	100%	40	100%	0	0	40	100%
Total	**489**	**489**	**100%**	**489**	**100%**	**40**	**8%**	**0**	**0**	**40**	**8%**

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

		FY 2025-26	FY 2024-25
i)	Cost incurred on wellbeing measures (well-being measures means well-being of employees and workers (including male, female, permanent and other than permanent employees and workers) (in ₹)	**6,43,33,595**	5,92,60,719
ii)	Total revenue of the Company (₹)	**786,34,06,749**	647,51,48,000
iii)	Cost incurred on wellbeing measures as a % of total revenue of the Company	**0.82%**	0.92%

2. **Details of retirement benefits.**

Benefits	**FY 2025-26**			FY 2024-25		
	No. of employees covered as a % of total employees	**No. of workers covered as a % of total workers**	**Deducted and deposited with the authority (Y/N/N.A.)**	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	**100%**	**100%**	**Y**	100%	100%	Y
Gratuity	**100%**	**100%**	**Y**	100%	100%	Y
ESI	**17%**	**21%**	**Y**	25%	18%	Y
Others – please specify	**-**	**-**	**-**	-	-	-

3. **Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? (Yes / No) If not, whether any steps are being taken by the entity in this regard.

The Company is progressively improving accessibility at its premises and will continue to assess and implement reasonable accommodation measures.

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

   Yes, the Company has equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016. Policy available - Diversity Equity and Inclusion (DEI). The policy can be accessed on Company website www.manalipetro.com

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

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

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

	Yes / No	(If yes, then give details of the mechanism in brief)
Permanent Workers	Yes	Yes, there are various committees like Safety Committee, Grievance Redressal mechanism, Canteen Committee, etc and a Trade Union at plants.
Other than permanent workers	Yes	
Permanent Employees	Yes	
Other than permanent employees	Yes	

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

Category	FY 2025-26			FY 2024-25		
	Total employees / workers in respective category (A)	No. of employees/ workers in the respective category, who are part of the association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees/ workers in the respective category, who are part of the association(s) or Union (D)	% (D/C)
Total Permanent Employees						
Male	271	0	-	252	0	-
Female	38	0	-	36	0	-
Total	**309**	**0**	**-**	**288**	**0**	**-**
Total Permanent Workers						
Male	27	22	81%	32	25	78%
Female	1	0	-	1	0	-
Total	**28**	**22**	**79%**	**33**	**25**	**76%**

8. Details of training given to employees and workers:

Category	FY 2025-26					FY 2024-25				
	Total (A)	On health and		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	**271**	**271**	**100%**	**271**	**100%**	252	252	100%	252	100%
Female	**38**	**38**	**100%**	**38**	**100%**	36	36	100%	36	100%
Total	**309**	**309**	**100%**	**309**	**100%**	288	288	100%	288	100%
Workers										
Male	**27**	**27**	**100%**	**27**	**100%**	32	32	100%	32	100%
Female	**1**	**1**	**100%**	**1**	**100%**	1	1	100%	1	100%
Total	**28**	**28**	**100%**	**28**	**100%**	33	33	100%	33	100%

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

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B / A)	Total (D)	No. (E)	% (E / D)
Employees						
Male	**271**	**206**	**76%**	252	214	85%
Female	**38**	**25**	**66%**	36	29	81%
Total	**309**	**231**	**75%**	288	243	84%
Workers						
Male	**27**	**27**	**100%**	32	32	100%
Female	**1**	**1**	**100%**	1	1	100%
Total	**28**	**28**	**100%**	33	33	100%

10. Health and safety management system:

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

Yes. The Company has implemented an Occupational Health and Safety Management System (OHSMS) certified to ISO 45001:2018. The system covers all manufacturing plants, utilities, engineering and maintenance activities, warehouses, laboratories, administrative offices, and other operational facilities. It is applicable to all employees, contract workmen, and visitors, as relevant.

The OHSMS includes hazard identification and risk assessment, legal compliance, operational controls, permit-to-work systems, emergency preparedness and response, incident reporting and investigation, occupational health surveillance, employee consultation and participation, training and competency development, contractor safety management, and periodic internal and external audits to ensure continual improvement in occupational health and safety performance.

In addition to internal safety training, the Company facilitates participation of employees and contract workers in relevant external and industry safety programmes, where appropriate.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity? (Yes / No / NA)

These assessments include evaluating potential impacts, determining risk levels, and implementing appropriate control measures to eliminate or mitigate identified risks. The process covers all routine and non-routine activities performed by employees, managerial personnel, contract workers, and other individuals with workplace access.

The Company employs a range of risk assessment methodologies based on the nature and complexity of operations, including Hazard Identification and Risk Assessment (HIRA), Process Hazard Analysis (PHA), Hazard and Operability Study (HAZOP), Hazard Identification Study (HAZID), Quantitative Risk Assessment (QRA), What-If Analysis, Pre-Start-Up Safety Review (PSSR), Chemical Risk Assessment (CRA), and Job Safety Analysis (JSA). These assessments are conducted during project planning, process modifications, routine operations, maintenance activities, and before undertaking high-risk or non-routine jobs.

The findings from these assessments are periodically reviewed and updated, particularly following changes in processes, equipment, materials, statutory requirements, or after incidents and near misses, to ensure continual improvement in occupational health and safety performance.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes / No / NA)

Yes. The Company has established documented procedures that enable employees and contract workers to report work-related hazards, unsafe conditions, unsafe acts, near misses, and incidents without fear of retaliation. Hazards can be reported through supervisors, the EHS department, safety committees, toolbox talks, safety observation cards, and other established reporting channels.

The Company also empowers all employees and contract workers with the Right to Stop Work, allowing them to remove themselves from situations where they reasonably believe there is an imminent risk to their health or safety. Work is resumed only after the identified hazards have been assessed, appropriate corrective and preventive measures have been implemented, and the area has been declared safe by the authorized personnel.

The effectiveness of these processes is reinforced through regular safety training, awareness programmes, periodic safety inspections, incident investigations, and employee consultation and participation mechanisms under the ISO 45001:2018 Occupational Health and Safety Management System.

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

Yes. The Company provides employees and workers with access to non-occupational medical and healthcare services. These include outpatient medical consultation, hospitalization support through group medical insurance or reimbursement schemes (as applicable), annual health check-ups, emergency medical assistance, ambulance services, health awareness programmes, vaccination drives, wellness initiatives, and access to qualified medical professionals.

The Company also maintains occupational health centres with trained medical personnel to provide first aid, primary healthcare, and medical assistance. Employees and workers are encouraged to avail themselves of these healthcare services to promote their overall health and well-being.

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

Safety incident / number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one-million-person hours worked)	Employees	**0**	0
	Workers	**0**	0
Total recordable work-related injuries	Employees	**0**	0
	Workers	**0**	0
No. of fatalities	Employees	**0**	0
	Workers	**0**	0

Safety incident / number	Category	FY 2025-26	FY 2024-25
High consequence work-related injury or ill- health (excluding fatalities)	Employees	**0**	0
	Workers	**0**	0

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

The Company is committed to providing a safe and healthy workplace for all employees, contract workers, and visitors through the implementation of an Occupational Health and Safety Management System (OHSMS) certified to ISO 45001:2018. The Company has established comprehensive policies, procedures, and operational controls to prevent work-related injuries, ill health, and occupational incidents.

Key measures implemented include:

- Hazard Identification and Risk Assessment (HIRA), HAZOP, Process Hazard Analysis (PHA), Job Safety Analysis (JSA), and other risk assessment methodologies for routine and non-routine activities.
- A robust Permit-to-Work (PTW) system for high-risk activities such as hot work, confined space entry, work at height, electrical isolation, and lifting operations.
- Process safety measures including engineering controls, interlocks, emergency shutdown systems, gas detection systems, fire detection and protection systems, and preventive maintenance of critical equipment.
- Regular safety inspections, internal audits, statutory compliance audits, behavioural safety observations, and workplace monitoring to identify and eliminate unsafe conditions and practices.
- Provision and mandatory use of appropriate Personal Protective Equipment (PPE) based on risk assessments.
- Occupational health surveillance, pre-employment and periodic medical examinations, on-site occupational health centre, first-aid facilities, emergency medical response, and employee wellness programmes.
- Comprehensive induction training, periodic safety training, toolbox talks, mock drills, emergency preparedness and response exercises, and competency development programmes for employees and contract workers.
- Employee participation through Safety Committee meetings, hazard reporting, near-miss reporting, safety suggestion schemes, and the Right to Stop Work in situations involving imminent danger.
- Incident and near-miss reporting, root cause analysis, implementation of corrective and preventive actions, and continual monitoring of safety performance indicators.
- Periodic management reviews to evaluate the effectiveness of the Occupational Health and Safety Management System and drive continual improvement.
- A safety park has been established in the plant premises to create awareness and training of safety systems available in the factory premises to all employees/workers/visitors on their initial visits to the plant premises.
- Weekly awareness programmes are conducted on health awareness by external and internal OHC doctors.

These measures enable the Company to maintain a safe, healthy, and compliant workplace while fostering a strong safety culture across all its operations.

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

	FY 2025-26			FY 2024-25		
	Filed during the year	**Pending resolution at the end of year**	**Remarks**	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	**120**	**60**	**Specifies the tasks to be undertaken only during the annual shutdown**	112	54	Specifies the tasks to be undertaken only during the annual shutdown
Health & safety	**0**	**0**		0	0	

14. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% have been assessed by the entity during the internal audit.
Working conditions	

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

In all safety-related incidents, a detailed investigation is conducted by a multidisciplinary technical committee to determine the root cause using a structured Root Cause Analysis (RCA) methodology. Based on the findings, appropriate corrective and preventive actions (CAPA) are implemented, and their effectiveness is monitored to prevent recurrence.

To further strengthen workplace safety, the Company promotes a proactive safety culture by encouraging employees and contract workers to report near-miss incidents, unsafe acts, and unsafe conditions through established reporting mechanisms. These reports are systematically evaluated, and timely corrective actions are taken to eliminate or mitigate potential hazards before they result in incidents. The outcomes of investigations and near-miss analyses are shared through safety meetings, toolbox talks, and awareness programmes to facilitate continuous learning and improvement in occupational health and safety performance.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of Employees & Workers (Yes / No)

Yes, the Company extends life insurance coverage for work related death to its employees and workers.

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

The Company has implemented robust safeguards, due diligence procedures, and internal control mechanisms to ensure that its value chain partners comply with applicable statutory requirements, including the deduction and timely deposit of statutory dues. As part of the vendor management process, contractors and service providers are required to submit periodic statutory compliance documents, such as proof of payment of EPF, ESI, GST, TDS, and other applicable statutory contributions, wherever relevant. These documents are reviewed and verified before processing vendor payments. Periodic compliance reviews and audits are also carried out, and appropriate corrective actions are initiated in the event of any non-compliance. These measures help ensure statutory compliance across the Company's value chain.

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

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

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

   No, currently the Company does not provide any transition assistance programs to facilitate continued employability and the management of career ending resulting from retirement or termination of employment.

5. **Details on assessment of value chain partners:**

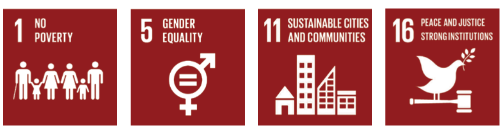
	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100% have been assessed by the entity during internal audit
Working Conditions	

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

   Not Applicable.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Value creation for stakeholders, including our employees, customers, investors, and communities is integral to our purpose. At MPL, we collaborate and engage with our stakeholders on a regular basis to understand their needs and expectations in order to address their concerns and incorporate their feedback. To establish enduring relationships that demonstrate a dedication to reciprocal respect and accountability, we maintain timely and efficient interactions with all stakeholder groups. All internal and external stakeholders have access to specific email channels where they may express any issues or problems.



SDG Linkage

Essential Indicators

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

   The Company is responsive to the requirements of all its Stakeholders, and this is enshrined in our Corporate Values & Beliefs of Integrity, Passion, Quality, Respect and Responsibility. These values require that the Company acts as a responsible corporate citizen and change lives for the better and this is to be done in a manner that reflects humility. These values require us to provide everyone equal opportunities to progress and grow. The Company has mapped its internal and external stakeholders. The Company considers its shareholders / investors, employees, customers, suppliers / partners, regulatory authorities and communities surrounding its operations as its key stakeholders. The identification is based on characteristics such as impact, influence, interest, legitimacy, urgency, and diversity perspective. The Company continues its engagement with them through various mechanisms such as consultations with local communities, vendor meets, customer / employee satisfaction surveys, investor forums, etc.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group	Channels of communication	Details of Other Channels of communication	Frequency of engagement	Details of Other Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	• Employee satisfaction surveys • Face-to-face meetings • Engagement sessions • HR sessions • Rewards and recognition • Team building workshops • Employee newsletters		On a regular basis		• Employees growth and benefits • Compensation structure • Health & Safety • Career growth • opportunities • Professional • development • Continuing education • Skill development
Customers	No	• Customer engagement surveys • Quality Business Review		On a regular basis		• Customer requirements • Customer satisfaction and feedback • Challenges
Government	No	• Quarterly results, Annual reports • Sustainability reports • Stock exchange filings		As and when required		• Reporting requirements • Statutory compliance • Support from authorities

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group	Channels of communication	Details of Other Channels of communication	Frequency of engagement	Details of Other Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers and Vendors	No	• One-to-one meetings • Regular operational reviews		On a regular basis		• Regulatory compliance requirements • Supply schedule • Vendor needs and expectations • Need for sustainability awareness and trainings • Sustainability performance
Shareholders / Investors	No	• Annual general shareholders meeting • Financial information release • Media release • Investor calls and meetings		On a regular basis		• Financial performance • Understanding their needs / expectations which is material to the Company • Sustainability performance
Community / NGO	Yes	• Project meetings • Community interactions with NGOs • Grievance mechanisms		As and when required		• Community expectations and feedback on impact / success of CSR project

Leadership Indicators

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

   The Company maintains strong and valuable relationship with all its stakeholder groups and continuously engages with its diverse stakeholders to keep them appraised about their business strategies, potential risks and opportunities, and future roadmap. As a business practice, departmental heads interact with their set of internal and external stakeholders on regular intervals, which is then consolidated and shared as stakeholder insight with top management and subsequently with Board Members to take appropriate steps and actions as required and plan sustainability strategies accordingly.

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

   Yes. Outcome of the stakeholder consultation exercises are taken forward to identify material topic of concern on sustainability for the Company. Based on these material topics of significance to the

Company, further strategy development, policy setting and if required objectives and goal setting are developed and implemented.

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

   While we engage with vulnerable/ marginalised stakeholder groups regularly through our various initiatives around CSR, we actively seek concerns during the process. No concerns were recorded in the reporting period.

Principle 5: Businesses should respect and promote human rights

The Company is dedicated to preserve the human rights of everyone and ensuring that there are no instances of violations in business operations. Our publicly available policy on Human Rights and Equal Opportunity prohibits transgressions of human rights. Company values human diversity, encourages fairness and justice, and advocates equal chances for everyone to work, learn and grow within the organisation, free from any form of discrimination or victimisation. We also adhere to the guidelines set out on the lines of International Labour Organization (ILO) conventions. We ensure that the conditions outlined in these policies and frameworks are communicated to everyone involved in our daily operations.

5 GENDER EQUALITY | 8 DECENT WORK AND ECONOMIC GROWTH | 16 PEACE AND JUSTICE STRONG INSTITUTIONS

SDG Linkage

Essential Indicators

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

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	309	309	100%	288	288	100%
Other than permanent	3	3	100%	3	3	100%
Total employees	312	312	100%	291	291	100%
Workers						
Permanent	28	28	100%	33	33	100%
Other than permanent	489	489	100%	991	991	100%
Total workers	517	517	100%	1024	1024	100%

2. **Details of minimum wages paid to employees and workers**

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		% (E)	% (E/D)	No. (F)	No. (F/D)
Employees										

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		% (E)	% (E/D)	No. (F)	No. (F/D)
Permanent	**309**	**25**	**8%**	**284**	**92%**	288	64	22%	224	78%
Male	**271**	**25**	**9%**	**246**	**91%**	252	57	23%	195	77%
Female	**38**	**0**	**-**	**38**	**100%**	36	7	19%	29	81%
Other than permanent	**3**	**0**	**-**	**3**	**100%**	3	0	0	3	100%
Male	**3**	**0**	**-**	**3**	**100%**	3	0	0	3	100%
Female	**0**	**0**	**-**		**0**	-	-	-	-	-
Workers										
Permanent	**28**	**0**	**-**	**28**	**100%**	33	0	-	33	100%
Male	**27**	**0**	**-**	**27**	**100%**	32	0	-	32	100%
Female	**1**	**0**	**-**	**1**	**100%**	1	0	-	1	100%
Other than permanent	**489**	**489**	**100%**	**0**	**-**	991	991	100%	-	-
Male	**449**	**449**	**100%**	**0**	**-**	920	920	100%	-	-
Female	**40**	**40**	**100%**	**0**	**-**	71	71	100%	-	-

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration / wages:				
	Male		**Female**	
	Number	**Median remuneration/ salary/ wages of respective category (₹)**	**Number**	**Median remuneration/ salary/ wages of respective category (₹)**
Board of Directors (BoD)* Excluding Executive Directors	9	12,00,000	4	9,00,000
Key managerial personnel includes Executive Director**	3	68,08,925	2	25,64,816
Employees other than BoD and KMP#	316	4,39,541	46	3,13,830
Workers##	32	9,25,358	1	-

Notes:

* Includes remuneration paid to Mr. G Chellakrishna & Ms. Sashikala Srikanth for FY 2024-25 and they ceased to be Independent Directors of the Company consequent to completion of their second term as Independent Directors w.e.f. close of business hours on 12.08.2024. Includes remuneration paid to Mr. M S Niranjhan who ceased to be independent director of the Company w.e.f. close of business hours on 11th August 2025 consequent to his resignation letter dt. 11.08.2025. Includes remuneration paid to Mr. Anand Raghavan, appointed as an Independent Director w.e.f. 03rd October 2025.

**Includes remuneration paid to Ms. K Lalitha, who was Chief Financial Officer (CFO) till 03rd October 2025. Includes remuneration paid to Ms. Srishti M Bathija, CFO – MPL Group w.e.f. 03rd October 2025.

#Includes remuneration paid to employees who have joined / left the organization during the year under review.

##Refer note no. 26 to Standalone Financial Statements.

b. Gross wages paid to females:		
	FY 2025-26 (in ₹)	FY 2024-25 (in ₹)
Gross wages paid to females	**2,46,99,013**	2,18,01,355
Total wages	**27,81,72,582**	25,93,44,890
Gross wages paid to females (Gross wages paid to females as % of total wages)	**8.88%**	8.40%

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

   Yes. POSH, Canteen, Safety & DEI Committees available.

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

   POSH, Canteen, Safety & DEI Committees available to redress grievances.

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

	FY 2025-26			FY 2024-25		
	Filed during the year	**Pending resolution at the end of year**	**Remarks**	Filed During the year	Pending resolution at the end of year	Remarks
Sexual harassment	**Nil**			Nil		
Discrimination at workplace						
Child labour						
Forced labour/ Involuntary labour						
Wages						
Other human rights-related issues						

7. **Complaints filed under the sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

		2025-26	2024-25
i)	Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	**NIL**	NIL
ii)	Average number of female employees/workers at the beginning of the year and as at end of the year		
iii)	Complaints on POSH as a % of female employees / workers		
iv)	Complaints on POSH upheld		

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

   Addressed as part of POSH & DEI policies.

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

   Yes

10. Assessments of the year

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

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

Not Applicable. The Company maintains high standards of Human Rights compliance in business operations, which resulted in Zero instances of non-compliance on Human Rights elements. The Company has laid down strong policies, procedures, and internal controls to redress and take appropriate corrective actions, in case of complaint or non-compliance.

Leadership Indicators

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

The Company neither received any complaint or any case of grievance was recorded during FY 2025-26, further-more, the Company has comprehensive policies and internal controls in place.

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

As per the Factories Act, 1948, working hours, HSE requirements and fair wages forms the fundamental part of human rights. Coverage is 100%.

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

We are continuously working towards improving infrastructure for eliminating barriers to accessibility.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Currently, the Company does not assess its value chain partners
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

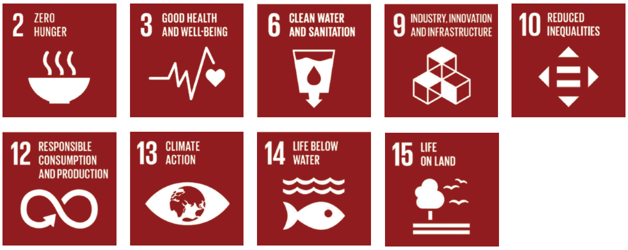
5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not Applicable.

Principle 6: Businesses should respect and make efforts to protect and restore the environment

At MPL, we continuously make efforts to operate in a way that creates more positive impact for the society and the environment. We are an ISO 14001:2015 certified organisation and we strive to conduct business in a sustainable manner while minimising negative impact. The strategy outlined in our environmental policy emphasises prudent resource management and highlights key areas like energy efficiency, responsible waste management, water stewardship and measures for emission reduction.

SDG Linkage



Essential Indicators

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

Whether total energy consumption and energy intensity is applicable to the Company?			Yes
		FY 2025-26	FY 2024-25
Revenue from operations (in ₹)		**786,34,06,749**	647,51,48,000
Parameter	**Units**		
From renewable sources			
Total electricity consumption (A)	GJ	**74,845.50**	27,351.58
Total fuel consumption (B)	GJ	**0**	0
Energy consumption through other sources (C)	GJ	**0**	0
Total energy consumed from renewable sources (A+B+C)		**74,845.50**	27,351.58
From non-renewable sources			
Total electricity consumption (D)*	GJ	**54,870.48**	90,619.43
Total fuel consumption (E)	GJ	**5,30,635.20**	5,18,300.31
Total energy consumption through other sources (F)	GJ	**61,127.50**	44,269.42
Total energy consumed from non- renewable sources (D+E+F)	GJ	**6,46,633.20**	6,53,189.16
Total energy consumed (A+B+C+D+E+F)*	GJ	**7,21,478.68**	6,80,540.74
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)		**917.51 GJ/cr**	1,051 GJ/cr
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)		**18,662.25**	21,713.57
Energy intensity in terms of physical output		**22.35**	29.09
Energy intensity (optional) – the relevant metric may be selected by the entity			

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

* Includes electricity consumption of corporate office.

Notes

1. The Fixed Roof Solar Project at Plant-I was commissioned in September 2025. During FY 2025–26, the project generated 488 GJ of renewable energy, contributing approximately 1% of the total electricity consumption of Plant-I. The Fixed Roof Solar Project at Plant-II and the Floating Solar Project are planned to be commissioned during FY 2026–27, further enhancing the Company's renewable energy portfolio and supporting its decarbonization and sustainability objectives.
2. Offgases from process unit is recovered and fired in boilers and the energy contributed by this offgas stream is accounted in energy consumption through other sources.
3. Installed Thermax Electrical Heat Pump (Model TEH-F-510T-SS-WS-NE) for process hot water generation by recovering and upgrading waste heat. in plant -II - 1288 GJ saved.
4. At Plant II, the installation of a new screw air compressor resulted in an annual energy savings of 4,000 GJ.
5. At Plant -I , to reduce the power consumption, installed screw type Instrument Air compressor with VFD of same capacity in place of old Reciprocating compressor - 2081 GJ saved.
6. PPP factor of India is taken at 20.34. The said PPP factor is based on International Monetary Fund (IMF) data given at https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the performance, achieve, and trade (PAT) Scheme of the Government of India? (Yes / No) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken if any.

Not Applicable.

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

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	**0**	0
(ii) Groundwater	**0**	0
(iii) Third-party water (Tanker water supply)	**5,18,229**	4,70,731.25
(iv) Seawater / desalinated water	**0**	0
(v) Others (Municipal water supply)	**16,80,427**	12,06,741.04
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**21,98,656**	16,77,472.29
#Total volume of water consumption (in kilolitres)	**21,98,656**	16,77,472.29
Water intensity per rupee of turnover (KL/Cr) (Total water consumption / Revenue from operations)	**2,796**	2,591

Parameter	FY 2025-26	FY 2024-25
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/ revenue from operations adjusted for PPP)	**56,872**	53,522
Water intensity in terms of Physical Output	**68.12**	71.69
Water intensity (optional) – the relevant metric may be selected by the entity		
Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? If yes, name of the external agency.	No assessment made by any external agency.	

Water consumed at corporate office is not accounted as it is rented facility.

PPP factor of India is taken at 20.34. The said PPP factor is based on IMF data given at https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC

4. Provide the following details related to water discharged:

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	**-**	-
- With treatment – please specify level of treatment	**-**	-
(ii) To Groundwater		
- No treatment	**-**	-
- With treatment – please specify level of treatment	**-**	
(iii) To Seawater		
- No treatment	**-**	-
- With treatment – please specify level of treatment (treatment in ETP)	**14,14,116.03**	9,22,652.72
(iv) Sent to third parties		
- No treatment	**-**	-
- With treatment – please specify level of treatment	**-**	-
(v) Others		
- No treatment	**-**	-
- With treatment – please specify level of treatment	**-**	-
Total water discharged (in kilolitres)	**14,14,116.03**	9,22,652.72
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	No assessment made by any external agency.	

5. Has the entity implemented a mechanism for zero liquid discharge? If yes, provide details of its coverage and implementation.

No. The Company has not implemented a Zero Liquid Discharge (ZLD) mechanism at its manufacturing facilities.

However, as part of its commitment to sustainable water management, the Company has engaged the CSIR–National Environmental Engineering Research Institute (CSIR-NEERI), Nagpur, to undertake a feasibility study for the implementation of a ZLD system. The findings of the CSIR-NEERI study were received in August 2026 and suggested implementation of a partial Zero Liquid Discharge (ZLD) system using High-Pressure Reverse Osmosis (HPRO) technology. Implementation will be subject to receipt of the necessary regulatory approvals.

In parallel, the Company has also evaluated other innovative technologies, including Reverse Osmosis (RO)-based wastewater recovery systems, for the partial or complete implementation of a Zero Liquid Discharge process. Based on the outcomes of these studies and techno-commercial evaluations, the Company will identify the most suitable solution to enhance water recycling and minimize wastewater discharge.

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

Whether air emissions (other than GHG emissions) by the entity is applicable to the Company?			Yes
Parameter	**Unit**	**FY 2025-26**	FY 2024-25
NOx	mg/nm3	**Plant 1 – 44**	Plant 1 – 48
		Plant 2 - 39	Plant 2 – 114
SOx	mg/nm3	**Plant 1 – BDL**	Plant 1 – BDL
		Plant 2 - BDL	Plant 2 - 396
Particulate matter (PM)	mg/nm3	**Plant 1 – 4**	Plant 1 – 11
		Plant 2 –3	Plant 2 –34
Persistent organic pollutants (POP)	NA	**NA**	NA
Volatile organic compounds (VOC)	ppm	**Plant 1 – 0**	Plant 1 – 0.48
		Plant 2 – 0	Plant 2 – 0.61
Hazardous air pollutants (HAP)	NA	**NA**	NA
Others – ozone-depleting substances (HCFC - 22 or R-22)	NA	**NA**	NA
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	No assessment made by any external agency.		

Note - The air emissions from Plant 1 and Plant 2 are given individually (not consolidated) as both the plants have different operational conditions. The air emissions by both the plants are well below the permissible limits as stipulated by Tamil Nadu Pollution Control Board.

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity:**

Whether greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity is applicable to the Company?			Yes
Parameter	**Unit**	**FY 2025-26**	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	**29,467.26**	35,476.55
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)**	Metric tonnes of CO2 equivalent	**12,214.28**	20,327.38

Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations) (MtCO2e/Cr)		**53.01**	86.18
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations adjusted for PPP)		**1,078.20**	1,780.50
Total Scope 1 and Scope 2 emission intensity in terms of physical output		**1.29**	2.30
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	No assessment made by any external agency.		

** Due to sourcing of more renewable energy power in the year FY 2025-26, the scope 2 emissions got reduced compared to FY 2024-25.

8. Does the entity have any project related to reducing greenhouse gas emission? If yes, then provide details.

Yes. The Company has undertaken several initiatives to reduce Greenhouse Gas (GHG) emissions and improve energy efficiency across its operations.

Key projects and initiatives include:

Installation of Solar Power Systems: A 345 kWp rooftop solar power plant was commissioned during FY 2025-26 at Plant-I, contributing renewable electricity for captive consumption and reducing dependence on grid electricity. In addition, a fixed-roof solar project was commissioned in September 2025, generating approximately 488 GJ of renewable energy during the reporting period. The Company has also initiated plans for a 520 kWp floating solar power project to further increase the share of renewable energy.

Energy Efficiency Improvements: The Company continues to implement energy conservation measures, including process optimization, replacement of energy-efficient equipment, and continuous monitoring of energy consumption to reduce electricity and fuel usage.

Cleaner Fuel Utilization: The Company utilizes Regasified Liquefied Natural Gas (R-LNG) as a cleaner fuel in place of conventional liquid fuels for steam generation and other thermal applications, thereby reducing direct GHG emissions.

Wastewater Reuse Initiative: A techno-commercial feasibility study is underway for the implementation of a Reverse Osmosis (RO)-based wastewater recovery system as a step towards water reuse and partial Zero Liquid Discharge (ZLD). This initiative is expected to reduce freshwater consumption and the energy associated with water abstraction and treatment over the long term.

The Company will continue to identify and implement projects that enhance resource efficiency, increase the use of renewable energy, and reduce its greenhouse gas emissions in line with its sustainability objectives.

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

Parameter	**FY 2025-26**	FY 2024-25
Total waste generated (in metric tonnes)		
Plastic waste (A)	**0**	0
E-waste (B)	**0**	12.3
Bio-medical waste (C)	**0.0080**	0.0076
Construction and demolition waste (D)	**0**	0
Battery waste (E)	**4.032**	0
Radioactive waste (F)	**0**	0
Other Hazardous waste. Please specify, if any. (G)	**Spent Oil – 1.162** **Chemical sludge from ETP – 108.74**	Spent Oil – 2.277 Chemical sludge from ETP – 168.99
Other Non-hazardous waste generated (H).	**17,770.05**	11,477.30
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	**Waste lime sludge**	Waste lime sludge
Total (A + B + C + D + E + F + G + H)	**17,883.99**	11,660.87
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) (MT/Cr)	**22.74**	18.02
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	**462.60**	372.30
Waste Intensity in terms of Physical Output	**0.55**	0.50
Waste intensity (optional) – the relevant metric may be selected by the entity		

PPP factor of India is taken at 20.34. The said PPP factor is based on IMF data given at https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Parameter	**FY 2025-26**	FY 2024-25
Category of waste	Nil	
(i) Recycled		
(ii) Re-used		
(iii) Other recovery operations		
Total		

Note – Canteen waste is not monitored by the Company as the canteen is operated by third party agency and the canteen waste is also managed by the same agency. However, the Company ensures that the canteen waste is disposed in a responsible manner.

For each category of waste generated, total waste disposed of by nature of disposal method (in metric tonnes)		
Category of waste	**FY 2025-26**	FY 2024-25
(i) Incineration	**0**	0
(ii) Landfilling	**129.18**	191.44
(iii) Other disposal operations (Spent Oil disposed to TNPCB authorized recyclers)	**2.25**	1.85
Total	**131.43**	193.29
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	No assessment made by any external agency.	

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

The Company has implemented the following Waste Management practices in compliance with environmental regulations and sustainability objectives:

a. Spent oil is disposed of through Tamil Nadu Pollution Control Board (TNPCB) authorized recyclers.

b. Effluent Treatment Plant (ETP) sludge is sent to Tamil Nadu Waste Management Limited (TNWML), Gummidipoondi, for proper disposal.

c. E-waste is managed and disposed of through TNPCB authorized recyclers.

d. Bio-medical waste generated from the Occupational Health Center is disposed of through a contracted hospital waste management agency (for FY 2025–26, through M/s. Kavery Hospitals).

e. There is no generation of plastic waste, construction and demolition waste, or radioactive waste.

f. Non-hazardous waste, primarily lime sludge, is disposed of for beneficial uses such as brick manufacturing and weathering course applications.

To further reduce the use of hazardous and toxic chemicals and effectively manage any resulting waste, the Company has adopted the following strategy:

i. The use of hazardous and toxic chemicals is minimized by employing best practices and state-of-the-art technology. Chemical consumption remains within the norms specified by technology suppliers and is entirely utilized in the process, resulting in no residue or waste.

ii. The by-products generated during manufacturing are saleable and are regularly sold to respective customers, ensuring no accumulation of hazardous by-products.

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

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N).	If no, the reasons thereof and corrective action taken, if any.
Not Applicable. There are no ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) in and around the Company's operations unit/offices.				

12. **Details of Environmental Impact Assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes/No)	Relevant Web link
Not Applicable					

13. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (prevention and control of pollution) Act, Air (prevention and control of pollution) Act, Environment Protection Act, and rules there under (Yes / No). If not, provide details of all such non-compliances:**

Yes

Sr. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
Nil				

Leadership Indicators

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

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

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter (In Gigajoules)	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	Not applicable.	
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		

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

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No assessment by external agency

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

Whether total Scope 3 emissions & its intensity is applicable to the Company?			No
Parameter	**Unit**	**FY 2025-26**	FY 2024-25
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	Not applicable.	
Total Scope 3 emissions per rupee of turnover	tCO2e/INR		
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No assessment has been carried out by any external agency.

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

There are no ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) in and around the Company's operations unit/office.

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

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative	Corrective action taken, if any
1	Installation of Rooftop Solar Power Plant	Commissioned a 345 kWp rooftop solar power plant at Plant-I for captive renewable power generation. Commissioned a fixed roof solar project during FY 2025-26, generating approximately 488 GJ of renewable energy.	Increased the share of renewable energy, reduced dependence on grid electricity, and lowered Scope 2 GHG emissions. Contributed to renewable energy generation and reduced the Company's carbon footprint.	NA
2	Floating Solar Power Project -Plant -I	Initiated the development of a 520 kWp floating solar power project to augment renewable energy generation.	Expected to further reduce grid electricity consumption and associated GHG emissions upon commissioning.	NA
3	Energy Efficiency Improvements	Implemented process optimization, preventive maintenance, and installation of energy-efficient equipment across manufacturing facilities. Key initiatives undertaken during the year include: (i) installation of IE3 premium efficiency motors in the New PG Expansion Plant; (ii) installation of a Thermax Electrical Heat Pump (Model: TEH-F-510T-SS-WS-NE) at Plant-II for process hot water generation by recovering and upgrading waste heat, resulting in an annual energy saving of 1,288 GJ;	Improved overall energy efficiency and reduced specific energy consumption across operations. The above initiatives achieved a total annual energy saving of 7,369 GJ, contributing to lower electricity consumption and a reduction in indirect greenhouse gas (Scope 2) emissions.	NA

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative	Corrective action taken, if any
		(iii) installation of a high-efficiency screw air compressor at Plant-II, achieving an annual energy saving of 4,000 GJ; and (iv) replacement of the existing reciprocating instrument air compressor with a VFD-based screw-type instrument air compressor of the same capacity at Plant-I, resulting in an annual energy saving of 2,081 GJ.		
4	Initiative taken for implementation Renewable Energy – Fixed Roof Solar Project-Plant -II	The Fixed Roof Solar Project at Plant-II has been initiated as part of the Company's renewable energy strategy to increase the use of clean energy for captive consumption and reduce dependence on conventional grid electricity.	Contributed to renewable energy generation and reduced the Company's carbon footprint.	NA
5	Installation of a spiral condenser package in New -PG Plant (Plant- II)	To recover waste heat from the evaporator for preheating boiler feed water prior to the deaerator.	Resulting in reduced steam demand, improved boiler efficiency, lower fuel (R-LNG) consumption, and reduced CO_2 emissions.	NA

5. Does the entity have a business continuity and disaster management plan?

Yes. The Company has a well-defined Onsite Emergency Management Plan that establishes the organizational structure, roles, responsibilities, and procedures for effectively responding to emergency situations. The plan is designed to ensure timely and coordinated emergency response, minimize risks to employees, the community, and the environment, reduce the overall impact of any incident, and facilitate the restoration of normal operations at the earliest possible time.

In addition, the Company, in collaboration with the Manali Industries Association (MIA), is evaluating a comprehensive strategy for the implementation of an Offsite Emergency Plan through external expert agencies. This initiative aims to strengthen emergency preparedness and coordinated response mechanisms involving neighbouring industries, local authorities, and other key stakeholders to effectively manage potential offsite emergencies.

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

Not applicable.

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

   Currently, value chain partners are not evaluated for environmental impacts.

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

   a. By the listed entity: 0

   b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners: 0

   During the year under review, the Company has not generated /procured Green Credits.

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Being a member of several trade organisations and industry groups, Company actively participates in forums to voice concerns, share initiatives as well as support programs and public policies that work towards safeguarding the interest of all stakeholders and communities. We demonstrate complete support for moral business practices, sustainability, social stability and respect for human rights as we pursue our policy advocacy work in collaboration with various trade and industry associations, governmental bodies and other similar platforms.

SDG Linkage

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/associations: 6**

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

Sl. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/associations (State/National/International)
1	Southern India Chamber of Commerce & Industry (SICCI)	National
2	Indian Polyurethane Association (IPUA)	National
3	Federation of Indian Export Organisation (FIEO)	National
4	Fragrances & Flavours Association of India	National
5	CHEMEXCIL - Basic Chemicals, Cosmetics & Dyes Export Promotion Council	National
6	Manali Industries Association (MIA)	State

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

S. No.	Name of authority	Brief of the case	Corrective action taken
Not Applicable as there are no issues related to anti-competitive conduct.			

Leadership Indicators

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

Company proactively engages with various stakeholders including industry chambers, associations & state government and provides its inputs on various areas such as sustainable manufacturing practices, renewable energy, health and safety amongst others. Over the years, Company has played a key role in helping public policy and been invited to several committees. Company is committed to engage in the public policy advocacy process in a responsible and ethical manner.

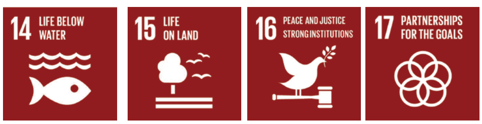
Sl. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of review by board (Annually/ half yearly/ quarterly / others – please specify)	Web-link, if available
-	-	-	-	-	-

Principle 8: Businesses should promote inclusive growth and equitable development

Company is committed to upholding social and civic obligations by engaging in socioeconomic activities that help the less fortunate. We want to judiciously use our resources and position to improve the quality of life of local communities and marginalised groups in the society. Our CSR policy complies with Companies Act, 2013. Our CSR Vision is to be a leading and socially responsible organisation empowering life by providing access to sanitation facilities, education, skill development, livelihood opportunities to ensure inclusive growth for all.

SDG Linkage

Linkage



Essential Indicators

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

S.No.	Name and brief details of project	SIA notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant web link
NA						

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

S No.	Name of project for which R&R is ongoing	State	District	No. of project affected families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (INR)
NIL						

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

The complaints or grievances in case received from the community is addressed by the manufacturing plant involving the industrial relations and administration, as applicable.

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

	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/ small producers	**5.73%**	5.82%
Sourced directly from within the district and neighbouring districts	**Within District: 52.49% & Neighbouring district: 4.99%**	Within District: 71.22% & Neighbouring Districts: 9.45%

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

Location	FY 2025-26	FY 2024-25
1. Rural		
i) Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis)	28,10,864	4,25,580
ii) Total Wage Cost	27,79,09,752	25,93,44,890
iii) % of Job creation in Rural areas	1.01%	0.16%
2. Semi-urban		
i) Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis)	3,80,80,004	2,84,77,840
ii) Total Wage Cost	27,79,09,752	25,93,44,890
iii) % of Job creation in Semi-Urban areas	13.70%	10.98%
3. Urban		
i) Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis)	2,72,97,065	2,89,88,970
ii) Total Wage Cost	27,79,09,752	25,93,44,890
iii) % of Job creation in Urban areas	9.82%	11.18%

Location	FY 2025-26	FY 2024-25
4. Metropolitan		
i) Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis)	20,97,21,820	20,14,52,500
ii) Total Wage Cost	27,79,09,752	25,93,44,890
iii) % of Job creation in Metropolitan area	75.46%	77.68%

Leadership Indicators

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

S. No.	Details of negative social impact identified	Corrective action taken
Not Applicable		

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

S. No.	State	Aspirational District	Amount spent (In INR)
Not Applicable			

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

   No. The Company does not have a preferential procurement policy to purchase from suppliers comprising marginalized / vulnerable groups.

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

   Not applicable

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

   Not applicable

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

Sr. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

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

Sr. No.	Name of authority	Brief of the Case	Corrective action taken
Not Applicable since no IPR related disputes have arisen in the financial year under review.			

6. **Details of beneficiaries of CSR projects:**

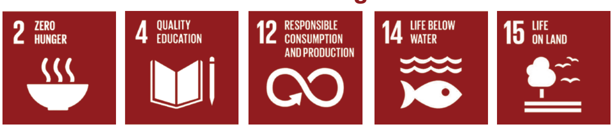
S. No.	CSR Projects	No. of persons benefited from CSR Projects (FY 25-26)	% of expected beneficiaries from community
1.	AMHC (AM Healthcare Centres) Centres (Effective Apr'26 only 3 centres will be in operations)	58,490	85%
2.	AMF Laboratory (Service closed from Dec'25)	1,584	100%
3.	Sanitation Block	135	100%
4.	Eye & General Camp	192	100%
5.	Skin & General Camp	155	100%
6.	Paediatric & General Camp	145	100%
7.	General Camp	99	100%
8.	Nutri-mix Distribution	11,335	95%
9.	Community Program	25,305	80%

Overall, AMF initiatives with the funding & support of MPL have positively impacted the lives of thousands of individuals in the community through healthcare and sanitation improvements.

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

The Company continually seeks to innovate and improve customer experience and the feedback from our clients and customers stand significant to us. We consider customer input as our top priority and we incorporate such feedback with ongoing efforts to strengthen our current position and boost the level of user satisfaction with the services we offer.

SDG Linkage



Essential Indicators

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

   Company adheres to ISO 9001 Quality Management System. The customer complaints are acknowledged within 24 hours of receipt of the complaint and necessary stakeholders are informed to address the customer concern. Based on the nature of the complaint, the timelines for corrective actions are mutually agreed and implemented. We have a process in place for receiving customer feedback covering scope of quality, delivery, etc. Feedback is assigned to concerned stakeholder for necessary action with agreed timelines. Customer complaints and feedback along with our counter-measure and corrective actions will be updated in CRM for internal tracking.

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

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

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

	FY 2025-26			FY 2024-25		
	Received during the year	**Pending resolution at end of year**	**Remarks**	Received during the year	Pending resolution at end of year	Remarks
Data privacy	**0**	**0**	**NA**	0	0	NA
Advertising	**0**	**0**	**NA**	0	0	NA
Cyber-security	**0**	**0**	**NA**	0	0	NA
Delivery of essential services	**0**	**0**	**NA**	0	0	NA
Restrictive trade practices	**0**	**0**	**NA**	0	0	NA
Unfair trade practices	**0**	**0**	**NA**	0	0	NA

	FY 2025-26			FY 2024-25		
	Received during the year	**Pending resolution at end of year**	**Remarks**	Received during the year	Pending resolution at end of year	Remarks
Other (Quality)	**7**	**0**	**All the customer complaints were duly addressed and closed.**	5	0	Actions on complaints received during the were taken and all the complaints were resolved. Complaints are relating to technical, batch or processing issues from customer side. Depending upon the nature of issue, either issue is resolved through technical assistance or by issuing credit notes / replacement of product batch.

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

	Number	Reasons for Recall
Voluntary Recalls	0	Not Applicable
Forced Recalls	0	Not Applicable

5. **Does the entity have a framework/policy on cyber security and risks related to data privacy? If available, provide a web link to the policy.**

   The Company has established mechanisms to ensure cyber security. Policy is available on the website of the Company. www.manalipetro.com

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

   Not Applicable.

7. **Provide the following information relating to data breaches:**

a.	Number of instances of data breaches along-with impact	Nil
b.	Percentage of data breaches involving personally identifiable information of customers	NA
c.	Impact, if any, of the data breaches	NA

Leadership Indicators

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

   Information related to our products are mentioned on the Company's website www.manalipetro.com

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

   Company provides Material Safety Data Sheet (MSDS) during supply of Chemicals which contains information on the potential hazards (health, fire, reactivity and environmental) and how to work safely with the chemical product. Our product's packaging carries Expiry date. The Company has implemented QR code tracking system for its pharma grade Propylene Glycol (PG) barrels to ensure safe use of the products. All the risk related details are informed to the customers during business discussion over mail / in person. Periodic safety training programs are conducted at strategic customers in line with our Company's vision. Transport Emergency (TREM) Card is issued during transportation of products to customer's destination as a good industrial practice.

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

   Yes. Necessary communications are sent at the earliest in case of emergencies / outages.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable). If yes, provide details in brief.**

   Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole?

   Company displays the product information in line with the applicable laws. Customer feedback is obtained with respect to the quality of the products and services by periodical circulation of curated questionnaires.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MANALI PETROCHEMICALS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

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

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 as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), of the state of affairs of the Company as on 31st March 2026, its Profit (including other comprehensive loss), its changes in equity and its cash flows 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 ("SAs") specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

Emphasis of Matters

i) Attention is invited to Note No.53 to the Standalone Financial Statements, which explains that the lease period for the leasehold land on which one of the Company's manufacturing units (Unit-II) operates expired on 30th June 2017. The Company has submitted requests for renewal with the Government of Tamil Nadu (the Lessor) and is currently awaiting an extension of the lease. Pending this renewal, no adjustments have been made in the Standalone Financial Statements for the year, as any potential impact of non-renewal cannot be determined at this time. Furthermore, management remains confident that the lease renewal will be granted in due course, based on this, the implementation of Ind AS 116 - Leases has been premised on a lease renewal period of 30 years, with current lease rent payments calculated according to the latest demand up to 30th June 2026.

ii) Attention is invited to Note No. 54 to the Standalone Financial Statements, which outlines the impact of floods caused by Cyclone Michaung on the production plants. The Company's claim for damages to Property, Plant, and Equipment is currently under assessment by the insurer. Pending this assessment, a sum of ₹ 1,180 Lakhs (net of ₹ 300 Lakhs on-account payment received from the insurer) incurred for repairs and reinstatement of property, plant, and equipment and consequent derecognition of affected assets, is treated as insurance claims receivable. Thus, the overall implications that may arise upon the eventual approval of the Company's claim by the insurer are currently unascertainable; hence, no adjustments have been made in the Standalone Financial Statements.

Our opinion is not modified in respect of the above matters.

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 financial year ended 31st March 2026. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the Key Audit Matters to be communicated in our Report.

1) Revenue recognition and discounts:

Key Audit Matter	Auditor's Response
Revenue is measured net of discounts given to the customers on the Company's sales. The estimation towards measurement of discounts given to its customers corresponding to the sales made during the year is material and is considered to be complex and judgmental. This is an area of significant judgement and with varying complexity, depending on the nature of arrangement which differs from customer to customer. Therefore, there is a risk of revenue being misstated as a result of faulty estimations relating to discounts to its customers	(i) We have assessed the appropriateness of the Company's Revenue recognition accounting policies, including those relating to estimation of discounts given to its customers. (ii) We have tested the effectiveness of the entity's internal controls over calculation of discounts. (iii) We have evaluated the documentation associated with the transactions of sale including credit notes and appropriate approvals for discounts offered to customers from the samples selected, to determine whether revenue was recognised net of discounts in the relevant reporting period. The results of our tests are satisfactory, and we considered the estimate of the accrual relating to discounts and the amount of revenue recognised is found to be acceptable on comparing current year discounts accruals to the prior year and, where relevant, completing further inquiries and testing.

2) Evaluation of Contingent Liabilities

Key Audit Matter	Auditor's Response
The Company has contingent liabilities comprising claims against the company not acknowledged as debts and demands from various statutory authorities which are inherent to the normal course of their business, filed by third parties, former employees, and statutory authorities. In general, the settlement of these proceedings takes a long time and involve not only discussions on the matter itself, but also complex process-related aspects, depending on the applicable legislation. Among other things, the aspects used to establish the likelihood of a loss attributed to each proceeding are subjective and the evolution of the jurisprudence over these disputes are not always uniform. In certain litigation and regulatory matters significant judgement is required by the Management to determine if there is a present obligation under relevant accounting standard. The complex nature of the Regulations and jurisprudence make this an ongoing area of judgement, and taking into consideration Management's judgement in assessing the likelihood that the pending claim will succeed, or a liability will arise, time period for resolution have been a matter of significance during the audit and the exposure of each case there is a risk that such cases may not be adequately provided for or disclosed in the Standalone Financial Statements and hence considered as a key audit matter.	Our audit procedures included the following: (i) We have evaluated and tested the procedures and controls relating to the identification, recognition and measurement of provisions for disputes and disclosures in relation to matters concerning the contingent liabilities; (ii) We have considered the list of various orders/ notices/demands received with respect to various litigations from the management; (iii) Reviewed the confirmations obtained by the Company from their legal counsel / consultants on a sample basis and also discussed and analysed material legal cases with the Company's Legal department. We have also analysed the responses obtained from the Company's legal advisors who conduct the court cases, tax and administrative proceedings, in which the status of the cases and possible/expected manner of proceedings were described. (iv) We held discussions with the Management to understand their assessment of the quantification and likelihood of significant exposures and the provision required for specific cases; (v) Assessed the objectivity and competence of the Management and independence of the legal experts; and (vi) Evaluated the Management's assumptions and estimates relating to the recognition of the provisions for disputes and disclosures of contingent liabilities in the Standalone Financial Statements.

Key Audit Matter	Auditor's Response
	(vii) Assessed the adequacy of the disclosures with regard to facts and circumstances of the legal and litigation matters. Based on the procedures stated above, we found that the criteria and assumptions adopted by Management for determining the provision for contingent liabilities, as well as the information disclosed relating to contingent liabilities in the standalone financial statements, are appropriate.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Annual Report but does not include the Standalone Financial Statements and our auditor's report thereon. The above reports are expected to be made available to us after the date of the Auditor's Report thus, our report does not deal with matters mentioned under other information in the Annual Report.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information as identified above when made available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the above reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility 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 and presentation 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 the Ind AS specified under section 133 of the Act read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and the estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to the 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 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 control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of utmost significance in the audit of the Standalone Financial Statements of the financial year ended 31st March 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, 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 of the aforesaid Standalone Financial Statements.
    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
    c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss, the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of accounts.
    d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
    e) On the basis of the written representations received from the directors as on 31st March 2026, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2026, from being appointed as a director in terms of Section 164 (2) of the Act.
    f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.

3. 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 Note 41(i) 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 no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company

   iv. (a) The management has represented that, to the best of its knowledge and belief, other than those disclosed in note No 44 & 52(vii) 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 persons or entities, 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, no funds have been received by the Company from any persons or entities, 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 such audit procedures as 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 (iv)(a) and (iv)(b) contain any material misstatement.

   v. The final dividend declared and paid by the Company during the year in respect of the dividend proposed for the previous year is in accordance with the provisions of Section 123 of the Act.

   The Board of Directors of the Company have proposed a final dividend for the year, which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with Section 123 of the Act to the extent it applies to the declaration of dividend.

   vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account, which has a feature of recording an audit trail (edit log) facility, and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of 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.

4. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197(16), which is required to be commented upon by us.

For **Brahmayya & Co.,**
Chartered Accountants
FRN: 000511S

Lokesh Vasudevan
Partner
Membership No: 222320
UDIN: 26222320SYWTUU4388

Place: Chennai
Date: 21st May 2026

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

The **"Annexure A"** referred to in clause 1 of **"Report on Other Legal and Regulatory Requirements"** Paragraph of the Independent Auditor's Report of even date to the members of **Manali Petrochemicals Limited** ("the Company") on the Standalone Financial Statements as on and for the year ended 31st March 2026.

i. In respect of the Company's Property, Plant and Equipment, Right of Use Assets and Intangible Assets:

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

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

b) We are informed that a test of physical verification of Property, Plant and Equipment and Right of Use Assets was carried out by the management at reasonable intervals and no material discrepancies were noticed. In our opinion, the frequency of verification of these assets is reasonable having regards to the size of the Company and nature of its assets

c) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the Standalone Financial Statements are held in the name of the Company.

d) According to the information and explanations given to us and based on our examination of the records of the Company carried out in accordance with the generally accepted auditing practices in India, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year ended 31st March 2026

e) According to information and explanations given to us and based on our examination of the records of the Company carried out in accordance with the generally accepted auditing practices in India, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. (a) According to information and explanations given to us and based on our examination of the records of the Company, the inventories were physically verified during the year. In our opinion, the frequency of such verification is reasonable, and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

iii. a) (A) According to the information and explanations given to us and based on our examination of the records of the Company carried out in accordance with the generally accepted auditing practices in India, the Company has not granted any loans or provided advances in the nature of loans or stood guarantee or provided security to its subsidiaries during the year. Therefore, the provisions of clause (iii)(a)(A) of paragraph 3 of the Order are not applicable to the Company.

(B) The Company has granted unsecured loans or advances in the nature of staff advances as specified below:

Loans to employees (Staff Advances)	**Amount (₹ Lakhs)**
Aggregate amount granted during the year	4.38
Balance outstanding as on 31st March 2026 (includes balances of loans given in the earlier years)	5.34

b) According to the information and explanations given to us and based on our examination of the records of the Company carried out in accordance with the generally accepted auditing practices in India, in our opinion, the terms and conditions of the grant of loans or advances in the nature of loans, as referred to (B) above, are not prima facie prejudicial to the interest of the Company.

c) According to the information and explanations given to us and based on our examination of the records of the Company carried out in accordance with the generally accepted auditing practices in India, in our opinion, in respect of loans or advances in the nature of loans granted by the Company, the schedule of repayment of principal has been stipulated, and the repayments are generally regular.

d) According to the information and explanations given to us and based on our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given as reported in para iii(a)(B) above.

e) According to the information and explanations given to us and based on our examination of the records of the Company carried out in accordance with generally accepted auditing practices in India, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

f) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

iv. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, in respect of grant of loans, making investments and providing guarantees and securities, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013, as applicable.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year in terms of the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and services provided by it and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

vii. According to the information and explanations given to us, in respect of statutory dues:

a) on the basis of our examination of the records of the Company, in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Goods and Services Tax, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Services Tax, Cess and other material statutory dues were in arrears as at 31st March 2026 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us and based on our examination of the records of the Company, details of dues of Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Services Tax, Cess and other material statutory dues which have not been deposited as on 31st March 2026 on account of disputes are given below:

₹ in Lakhs

Name of the Statute	Nature of dues	Forum where the dispute is pending	Period to which the amount relates	Amount Involved	Amount unpaid
GST	GST	Dy. Commissioner – Appeals, GST	2020-21	10	10
TNVAT & CST Acts	Sales Tax	TN Sales Tax Appellate Tribunal	2000-01	11	11
		Appellate Deputy Commissioner (CT)	2007-08	6	6
		High Court of Madras	2008-09	11	11

Name of the Statute	Nature of dues	Forum where the dispute is pending	Period to which the amount relates	Amount Involved	Amount unpaid
Income Tax Act,1961	Income Tax		**Assessment Year**		
		Hon'ble Madras High Court	2006-07	2	2
		Commissioner of Income Tax (A) (NFAC)	2008-09	518	488
		Commissioner of Income Tax (A) (NFAC)	2010-11	177	107
		Commissioner of Income Tax (Appeals)	2010-11	29	29
		Commissioner of Income Tax (Appeals)	2011-12	345	-
		Commissioner of Income Tax (Appeals)	2012-13	477	381
		Income Tax Appellate Tribunal	2013-14	29	29
		Income Tax Appellate Tribunal	2014-15	89	77
		Income Tax Appellate Tribunal	2015-16	108	87
		Assistant commissioner of income tax (LTU)	2015-16	40	40
		Income Tax Appellate Tribunal	2016-17	232	232
		Hon'ble Madras High Court	2017-18	42	42
		Commissioner of Income Tax (A) (NFAC)	2017-18	5	5
		Commissioner of Income Tax (A) (NFAC)	2018-19	254	254
		Commissioner of Income Tax (A) (NFAC)	2020-21	28	28
		Commissioner of Income Tax (A) (NFAC)	2022-23	4	4

viii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

ix. (a) According to the information and explanation given to us and based on the examination of the records of the Company, carried out in accordance with the generally accepted auditing practices in India, the Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender during the year.

(b) According to the information and explanations given to us and based on our examination of the records of the Company carried out in accordance with the generally accepted auditing practices in India, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority or other lender.

(c) According to the information and explanations given to us and based on our examination of the records of the Company carried out in accordance with generally accepted auditing practices in India, term loans were applied for the purpose for which they were obtained during the year.

(d) According to the information and explanations given to us and based on our examination of the records of the Company, carried out in accordance with the generally accepted auditing practices in India, in our opinion, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) According to the information and explanations given to us and based on our examination of the records of the Company, carried out in accordance with the generally accepted auditing practices in India, in our opinion, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company does not have any associate or joint venture.

(f) According to the information and explanations given to us and based on our examination of the records of the Company, carried out in accordance with the generally accepted auditing practices in India, in our opinion, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries. The Company does not have any associate or joint venture.

x. (a) According to the information and explanations given to us and based on our examination of the records of the Company carried out in accordance with generally accepted auditing practices in India, the Company has not raised moneys by way of an initial public offer or further public offer (including debt instruments) during the year. Therefore, the provisions of clause 3(x)(a) of paragraph 3 of the order are not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company carried out in accordance with generally accepted auditing practices in India, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, the provisions of clause (x)(b) of paragraph 3 of the Order are not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company and according to the information and explanation given to us, we have not come across any instance of fraud by the Company. We have neither come across any instance of material fraud on the Company, noticed or reported during the year, nor have we been informed of any such cases by the management during the course of our audit.

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

(c) According to the information and explanations given to us, the Company has not received any whistleblower complaints during the year. Therefore, the provisions of clause (xi)(c) of paragraph 3 of the Order are not applicable to the Company.

xii. In our opinion and according to the information and explanations given to us and based on our examination of records of the Company, carried out in accordance with the generally accepted auditing practices in India, the Company is not a Nidhi Company. Therefore, the provisions of clause (xii)(a), (xii)(b) and (xii)(c) of the paragraph 3 of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed as related party transactions in the Standalone Financial Statements as required by the applicable Accounting Standards.

xiv. (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

xv. In our opinion and according to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with them, and hence the provisions of Section 192 of the Act are not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provisions of clause (xvi) (a) of the paragraph 3 of the Order are not applicable to the Company.

(b) The Company has not conducted non-banking financial/housing finance activities during the year. Therefore, the provisions of clause (xvi)(b) of the paragraph 3 of the Order are not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the provisions of clause (xvi)(c) of the paragraph 3 of the Order are not applicable to the Company.

(d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Therefore, the provisions of clause (xvi)(d) of the paragraph 3 of the Order are not applicable to the Company.

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

xviii. There has been no resignation of the statutory auditors during the year. Therefore, the provisions of clause (xviii) of the paragraph 3 of the Order are not applicable to the Company

xix. According to the information and explanations given to us and 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 Standalone Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report, and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx. (a) According to the information and explanations given to us, there is no unspent amount in respect of "other than ongoing projects" that has to be transferred to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the Act.

(b) According to the information and explanations given to us, the Company has transferred unspent amount in respect of ongoing projects to a special account within a period of thirty days from the end of the financial year in compliance with section 135(6) of the Act.

For **Brahmayya & Co.,**
Chartered Accountants
FRN: 000511S

Lokesh Vasudevan
Partner
Membership No: 222320
UDIN: 26222320SYWTUU4388

Place: Chennai
Date: 21st May 2026

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

The **Annexure B,** referred to in Clause 2(h) of the **"Report on Other Legal and Regulatory Requirements"** Paragraph of the Independent Auditor's Report of even date to the members of **Manali Petrochemicals Limited** on the Standalone Financial Statements as of and for the year ended 31st March 2026.

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

We have audited the internal financial controls with reference to the Standalone Financial Statements of Manali Petrochemicals Limited ("the Company") as of 31st March, 2026 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility for Internal Financial Controls

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to 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 Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to the Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to the Standalone Financial Statements

A company's internal financial controls with reference to the Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls 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 Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to the Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to the 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 over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanation 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 were operating effectively as at 31st March 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Brahmayya & Co.,**
Chartered Accountants
FRN: 000511S

Lokesh Vasudevan
Partner
Membership No: 222320
UDIN: 26222320SYWTUU4388

Place: Chennai
Date: 21st May 2026

Standalone Balance Sheet as at March 31, 2026

[₹ in lakh]

Particulars				Note No.	As at March 31, 2026	As at March 31, 2025
A.	**ASSETS**					
I	**Non-Current Assets**					
	a)	Property, Plant and Equipment		3A	**27,965**	21,092
	b)	Capital work-in-progress		3C	**3,744**	6,075
	c)	Intangible Assets		3B	**17**	-
	d)	Intangible assets under development		3D	**11**	-
	e)	Right-of-Use-Assets		3E	**6,796**	7,305
	f)	Financial Assets:				
		i)	Investments	4	**40,485**	41,365
		ii)	Other Financial Assets	5	**519**	594
	g)	Other Non-Current Assets		6	**2,095**	3,166
		TOTAL NON-CURRENT ASSETS			**81,632**	79,597
II		**Current Assets**				
	a)	Inventories		7	**13,678**	16,124
	b)	Financial Assets:				
		(i)	Trade Receivables	8	**13,319**	6,878
		(ii)	Cash and Cash Equivalents	9	**11,966**	11,058
		(iii)	Bank balances other than ii) above	10	**3,682**	3,822
		(iv)	Loans	11	**36**	33
		(v)	Other Financial Assets	12	**1,330**	2,007
	c)	Other Current Assets		13	**734**	2,179
		TOTAL CURRENT ASSETS			**44,745**	42,100
		TOTAL ASSETS			**126,377**	121,697
B.	**EQUITY AND LIABILITIES**					
I	**Equity**					
	a)	Equity Share Capital		14	**8,603**	8,603
	b)	Other Equity			**89,050**	86,452
		TOTAL EQUITY			**97,653**	95,055
II	**Liabilities**					
II. A	**Non-Current Liabilities**					
	a)	Financial Liabilities				
		i)	Long-Term Lease Liabilities	15	**6,638**	6,893
		ii)	Long-Term Borrowings	16	**2,589**	1,900
		iii)	Other Financial Liabilities	17	**63**	57
	b)	Provisions		18	**157**	79
	c)	Deferred Tax Liabilities (net)		19	**270**	33
	d)	Other Non-Current Liabilities		20	**232**	269
		TOTAL NON-CURRENT LIABILITIES			**9,949**	9,231
II. B	**Current Liabilities**					
	a)	Financial Liabilities				
		i)	Borrowings	21	**3,472**	2,643
		ii)	Short-Term Lease Liabilities	22	**532**	460
		iii)	Trade Payables	23		
			1 Total outstanding dues of Micro Enterprises and Small Enterprises		**279**	235
			2 Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		**9,790**	7,437
		iv)	Other Financial Liabilities	24	**1,145**	2,043
	b)	Other Current Liabilities		25	**1,598**	2,073
	c)	Provisions		26	**1,959**	2,522
		TOTAL CURRENT LIABILITIES			**18,775**	17,413
		TOTAL LIABILITIES			**28,724**	26,643
		TOTAL EQUITY AND LIABILITIES			**126,377**	121,697
Summary of Material Accounting Policies				1-2		

The accompanying notes form an integral part of Standalone Financial Statement

As per our report of even date attached

For **Brahmayya & Co.,**
Chartered Accountants
Firm Registration No. 000511S

For and on behalf of the Board of Directors

Lokesh Vasudevan
Partner
Membership No. 222320

Ashwin C. Muthiah
Chairman
(DIN: 00255679)

R. Chandrasekar
Managing Director & CEO - MPL Group
(DIN: 06374821)

Place: Chennai/London
Date: May 21, 2026

Srishti M. Bathija
Chief Financial Officer - MPL Group

G. Sri Vignesh
Company Secretary

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

[₹ in lakh]

	Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
1	**Revenue from Operations**	27	**78,634**	64,751
2	**Other Income**	28	**3,539**	2,176
3	**Total Income [1+2]**		**82,173**	66,927
4	**Expenses**			
	a) Cost of materials consumed	29	**43,228**	51,985
	b) Purchase of Stock in Trade	30	**5,990**	-
	c) Changes in inventories of finished goods, traded goods and work-in-progress.	31	**7,104**	(6,842)
	d) Employee benefits expense	32	**3,625**	3,669
	e) Finance costs	33	**1,180**	933
	f) Depreciation & Amortisation expense	34	**2,756**	2,359
	g) Power, Fuel & Water expense	35	**9,106**	9,494
	h) Other expenses	36	**6,583**	5,985
	Total Expenses (4)		**79,573**	67,583
5	**Profit Before Exceptional items and Tax [3-4]**		**2,600**	(656)
6	Exceptional Items	39	**1,614**	(321)
7	**Profit Before Tax [5+6]**		**4,214**	(977)
8	**Tax Expenses**	37		
	a) Current Tax		**501**	-
	b) Short/(Excess) Provision for tax relating to prior years		**-**	5
	c) Deferred Tax		**237**	(108)
	Total Tax Expenses [a+b+c]		**738**	(103)
9	**Profit for the period [7-8]**		**3,476**	(874)
10	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or (loss)			
	Changes in Fair Value of Equity Investments		**2**	(1)
	Profit on sale of Investment		**-**	-
	Remeasurement Cost of net defined employee benefits	32	**(23)**	(17)
	Income Tax relating to items that will not be re-classified to Profit or Loss		**5**	5
	Other Comprehensive Income		**(16)**	(13)
11	**Total Comprehensive Income for the period [9+10]**		**3,460**	(887)
12	**Earnings per equity share [Face value of ₹ 5 each]**	38		
	a) Basic (in ₹)		**2.02**	(0.51)
	b) Diluted (in ₹)		**2.02**	(0.51)

Summary of Material Accounting Policies 1-2

The accompanying notes form an integral part of Standalone Financial Statement

As per our report of even date attached

For **Brahmayya & Co.,**
Chartered Accountants
Firm Registration No. 000511S

For and on behalf of the Board of Directors

Lokesh Vasudevan
Partner
Membership No. 222320

Ashwin C. Muthiah
Chairman
(DIN: 00255679)

R. Chandrasekar
Managing Director & CEO - MPL Group
(DIN: 06374821)

Place: Chennai/London
Date: May 21, 2026

Srishti M. Bathija
Chief Financial Officer - MPL Group

G. Sri Vignesh
Company Secretary

Standalone Statement of Changes in Equity

A. Equity Share Capital

[₹ in lakh]

For the year ended March 31, 2026

Balance as at April 01, 2025	Changes in equity share capital due to prior period errors	Restated balance at the beginning of financial year	Changes in Equity Share Capital during the year	Balance as at March 31, 2026
8,603	-	8,603	-	8,603

For the year ended March 31, 2025

Balance as at April 01, 2024	Changes in equity share capital due to prior period errors	Restated balance at the beginning of financial year	Changes in Equity Share Capital during the year	Balance as at March 31, 2025
8,603	-	8,603	-	8,603

B. Other Equity

Statement of changes in Other Equity (2025-26)

Particulars	Reserves and Surplus				Equity Instruments through Other Comprehensive Income	Other Items of Other Comprehensive Income *	Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings			
Balance at the beginning of reporting Period (01.04.2025)	84	91	109	86,209	3	(47)	**86,452**
Total comprehensive income	-	-	-	3,476	2	(18)	**3,460**
Dividend paid during the year	-	-	-	(860)	-	-	**(860)**
Balance at the end of reporting Period (31.03.2026)	**84**	**91**	**109**	**88,825**	**5**	**(64)**	**89,050**

Statement of changes in Other Equity (2024-25)

Particulars	Reserves and Surplus				Equity Instruments through Other Comprehensive Income	Other Items of Other Comprehensive Income *	Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings			
Balance at the beginning of reporting Period (01.04.2024)	84	91	109	88,374	4	(35)	**88,628**
Total comprehensive income	-	-	-	(874)	(1)	(12)	**(887)**
Dividend paid during the year	-	-	-	(1,291)	-	-	**(1,291)**
Balance at the end of reporting Period (31.03.2025)	**84**	**91**	**109**	**86,209**	**3**	**(47)**	**86,452**

* It represents value of Remeasurement Cost of net defined employee benefits obligations net of Income Tax on the same

As per our report of even date attached

For **Brahmayya & Co.,**
Chartered Accountants
Firm Registration No. 000511S

Lokesh Vasudevan
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Place: Chennai/London
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Standalone Statement of Cash Flows for the year ended March 31, 2026

[₹ in lakh]

Particulars		For the year ended March 31, 2026		For the year ended March 31, 2025
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before Tax		4,214		(977)
Adjustments for				
Depreciation and Amortisation	2,756		2,359	
Provision for inventory	-		279	
Provisions no longer required written back	(1,861)		-	
Dividend income	(0)		(428)	
Finance costs	1,180		933	
Remeasurement Cost of net defined employee benefits	(23)		(17)	
Interest income	(942)		(1,460)	
Provision for doubtful debts	3		-	
Profit on sale of investment	-		(18)	
Net foreign exchange losses / (gains)	288		88	
Profit on sale of assets	(46)		(3)	
Loss on sale / write-off of assets	262		18	
Net Adjustments		1,619		1,752
Operating Profit		5,833		775
Changes in Working Capital				
Adjustments for (increase) / decrease in operating assets				
Inventories	2,446		(7,976)	
Trade Receivables	(6,437)		350	
Other Financial Assets	577		(1,418)	
Other Current Assets	1,445		(907)	
Other Non-Current Assets	141		74	
Adjustments for increase / (decrease) in operating liabilities				
Trade payables	2,109		3,584	
Other financial liabilities	(898)		300	
Other Current liabilities	293		(60)	
Short-term provisions	519		368	
Lease Liabilities	(183)		(81)	
Other Non-Financial Liabilities	(31)		(32)	
Long-term provisions	78		(273)	
Net Adjustments		58		(6,070)
Net income tax paid		(731)		(170)
Net cash from / (used in) Operating activities [A]		5,160		(5,465)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Capital expenditure on Property, Plant & Equipment, including capital advances		(5,781)		(9,355)
Proceeds from sale of PPE		113		3
Sale proceeds / (Investments) in Equity shares		883		(1,154)
Interest income Received		916		1,629
Dividend income Received		0		428
(Investments) in Mutual Funds		-		2,535
Bank balances not considered as cash and cash equivalents		140		2,035
Net cash from / (used in) Investing activities [B]		(3,729)		(3,880)

[₹ in lakh]

	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	(Repayment) / Proceeds from Short-term & Long-term borrowings	**1,518**	2,314
	Interest paid	**(1,180)**	(933)
	Dividend paid	**(860)**	**(1,291)**
	Net cash from / (used in) Financing Activities [C]	**(523)**	**90**
	Net (decrease) / increase in cash and cash equivalents = (A+B+C)	**908**	(9,255)
	Cash and cash equivalents at the beginning of the period	**11,058**	20,311
	Cash and cash equivalents at the end of the period	**11,966**	11,058

Components of Cash & Cash Equivalents:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash and Cash Equivalents (Note: 9)		
Cash on hand	**1**	1
Balance(s) In current accounts (including debit balance(s) in cash credit)	**215**	57
Balances in Fixed deposit original maturity period less than 3 months	**11,750**	11,000
Total Cash and Cash Equivalents	**11,966**	11,058

Reconciliation between opening and closing balances in the balance sheet for liabilities and financial assets arising from financing activities:

Particulars	As at March 31, 2025	Cash Flows	Fair Value Changes	As at March 31, 2026
Short-term Borrowings	2,643	975	-	3,618
Long-term Borrowings	1,900	689		2,589
Total Liabilities from Financing Activities	**4,543**	**1,664**	**-**	**6,207**

As per our report of even date attached

For **Brahmayya & Co.,**
Chartered Accountants
Firm Registration No. 000511S

Lokesh Vasudevan
Partner
Membership No. 222320

Place: Chennai/London
Date: May 21, 2026

For and on behalf of the Board of Directors

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R. Chandrasekar
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Srishti M. Bathija
Chief Financial Officer - MPL Group

G. Sri Vignesh
Company Secretary

Notes to the Standalone Financial Statements for the year ended March 31, 2026

Manali Petrochemicals Limited

1. GENERAL INFORMATION

Manali Petrochemicals Limited (the 'Company') is a Public Company incorporated on June 11, 1986 in the State of Tamil Nadu, India. The Company is engaged in the manufacture and sale of Propylene Oxide (PO), Propylene Glycol (PG) and Polyols (PY), which are used as industrial raw materials.

2. MATERIAL ACCOUNTING POLICIES

2.1. Statement of Compliance

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with prescribed rules therein as amended from time to time.

The Company has uniformly applied the accounting policies during the periods presented.

2.2. Basis of Preparation and Presentation

2.2. (a) Historical Cost conversion

The standalone financial statements of the Company have been prepared on accrual basis under the historical cost convention except for certain financial instruments that are measured at fair values at the end of each reporting period and employee defined benefit plan as per actuarial valuation, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in the exchange of goods and services.

Fair value is the price that would be received on sale of 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 in a reasonable and prudent manner. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or a liability if market participants would have those characteristics taken into account when pricing the asset or a liability at the measurement date. Fair value for measurement and/or disclosure purposes in these Standalone Financial Statements is determined on such or on the basis of and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized 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 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 a liability.

2.2. (b) Current / Non – Current Classification

Any asset or liability is satisfied as current if it satisfies any of the following conditions:

Asset / Liability is expected to be realised/settled in the Company's normal operating cycle

- Asset is intended for sale or consumption
- Asset / Liability is held primarily for the purpose of trading
- Asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date
- In case of a Liability, the Company does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting date.

For the purpose of this classification, the Company has ascertained its normal operating cycle as twelve months, which is based on the nature of business and time between acquisition of assets and their realisation in cash and cash equivalents.

The principal accounting policies are set out below:

2.3. Revenue Recognition:

The Company derives revenues primarily from the business of sale of petrochemicals. The Company recognizes revenue from contracts with customers based on a five-step model, such as identifying the contracts with a customer, identifying the performance obligations in the contract, determining the transaction price, allocating the transaction price to the performance obligations in the contract and recognize revenue when (or as) the entity satisfies a performance obligation at a point in time or over time.

The Company satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
- The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date

For performance obligations where one of the above conditions is not met, revenue is recognized at the point in time at which the performance obligation is satisfied. Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

2.3. (a) Sale of goods

Sales are recognized net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to the customers.

2.3. (b) Income from services

Revenues from contracts priced on a time and material basis are recognized when services are rendered and related costs are incurred.

2.3. (c) Export Incentive

Export benefits in the nature of focus market scheme are accrued in the year of exports based on the eligibility taking into consideration the prevailing regulations/policies and when there is no uncertainty in receiving the same. Adjustments, if any, to the amounts recognized in accordance with this accounting policy, based on final determination by the authorities, would be dealt with appropriately in the year of final determination and acceptance.

2.3. (d) Other Income

Interest income from a financial asset is recognized 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 for when the right to receive the income is established.

2.4. Leases:

The Company assesses at contract inception whether a contract is or contains, a lease, i.e., if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for its use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Plant and machinery
- Buildings
- Land

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the Statement of Profit and Loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.5. Government Grants:

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises the related costs, which the grants are intended to compensate. Government grants that are receivable towards capital investments under State Investments Promotion Scheme are recognised in the Statement of Profit and Loss in the period in which they become receivable. Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

2.6. Functional and presentation currency:

Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates. The standalone financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

2.7. Foreign currency transactions:

In preparing the standalone financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks.

2.8. Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

2.9. Employee benefits

Employee benefits include Provident Fund, Superannuation scheme, Employees State Insurance Scheme, Gratuity Fund and compensated absences.

2.9.1 Defined Contribution Plans

The Company's contribution to Provident Fund and Employees State Insurance Scheme are considered as defined contribution plans and are recognized as an expense when employees have rendered service entitling them to the contributions.

Defined Contribution Plans for Superannuation Scheme of Officers of both the Plants and the Staff of the Plant II are administered by Life Insurance Corporation of India. Contributions are made monthly at a predetermined rate to the Trust and debited to the Statement of Profit and Loss on an accrual basis.

2.9.2 Defined benefit plans

For defined benefit plans in the form of Gratuity Fund, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out by an independent actuary at the end of each reporting period. 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
- Re-measurement

The Company presents defined benefit costs in the Statement of Profit and Loss in the line item 'Employee benefits expense'. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognized in Other Comprehensive Income in the period in which they occur. Re-measurement recognized in Other Comprehensive Income is reflected immediately in retained earnings and is not reclassified as profit or loss. Curtailment gains and losses are accounted for as past service costs. Past service cost is recognized as profit or loss in the period of a plan amendment. The obligation recognized 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.

2.9.3 Short-term Employee benefits:

Short-term employee benefits including accumulated compensated absences as at the Balance Sheet date are recognised as an expense as per Company's schemes based on expected obligation on an undiscounted basis.

2.9.4 Other long-term employee benefits:

Other Long-term employee benefit comprise of leave encashment which is provided for based on the actuarial valuation carried out as at the end of the year.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.10. Earnings per share:

Basic earnings per share is computed by dividing the net profit or loss after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit or 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.

2.11 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax is determined as the amount of tax payable in respect of taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961. The Company has exercised irrevocable option under section 115BAA (applicable tax rate is 25.168%).

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. 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 realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax for the year

Current and deferred tax are recognized 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 current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively.

2.12. Property, Plant and Equipment

Property, Plant and Equipment (PPE) are stated in the Balance Sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price, attributable expenditure incurred in bringing the asset to its working condition for the intended use and cost of borrowing till the date of capitalisation in the case of assets involving material investment and substantial lead time. Fixed assets individually costing ₹ 10,000 or less is depreciated in full in the year of addition.

Componentization:

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Expenditure during the Construction period:

Expenditure/Income during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under “Other Non-current Assets”.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets in whose case the life of certain assets has been assessed based on technical advice taking into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, maintenance support etc. Any Preliminary and Pre-operative expenditure incurred during the construction of properties is charged off to Statement of Profit and Loss Account.

i)	Certain Plant and Machinery	–	11 to 33 years
ii)	Computers and Computer Software	–	5 years
iii)	Certain Plant and Machinery	–	1 to 10 years
iv)	Certain Buildings and Roads	–	5 to 15 years
v)	Certain Vehicles	–	8 to 10 years
vi)	Certain Office Equipment	–	1 to 10 years
vii)	Certain Furniture and Fixtures	–	1 to 10 years

An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

2.13. Intangible assets:

Initial Recognition

Intangible assets acquired separately are initially measured at cost. Intangible assets are recognized if and only if, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. Cost of separately acquired intangible asset includes its purchase price (after deducting trade discounts and rebates), import duties & non-refundable purchase taxes, any costs directly attributable to preparing the asset for its intended use. Intangible assets acquired in a business combination are recognized at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

Subsequent measurement and amortization

Intangible assets are stated at cost of acquisition less accumulated amortization and accumulated impairment losses, if any. Subsequent expenditure related to an item of intangible assets are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. The carrying values of intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The residual values, estimated useful lives and amortization method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortized on a straight-line basis over the period of their estimated useful lives. Estimated useful lives by major class of finite-life intangible assets are as follows:

Intangible Assets	Method of Amortization	Estimated Useful life
Computer Software	on straight-line basis	Over a period of 3 to 5 years

The amortization expense is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. Indefinite-life intangible assets comprises of those assets for which there is no foreseeable limit to the period over which they are expected to generate net cash inflows. These are considered to have an indefinite life, given the strength and durability of the Company and the level of marketing support.

De-recognition

An item of Intangible Assets is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de recognition of the asset is recognized in the profit or loss in the year the asset is derecognized. For indefinite life intangible assets, the assessment of indefinite life is reviewed annually to determine whether it continues, if not, it is impaired or changed prospectively based on revised estimates.

2.14. Inventories:

Stores and spares, packing materials, fuels, raw materials and other inventories are valued at lower of cost and net realizable value. Net realizable value represents the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale.

The method of determination of cost of various categories of inventories is as follows:

1. Raw material, Stores and spares and packing materials – Weighted average cost.
2. Finished goods and Work-in-process – Weighted average cost of production which comprises of direct material costs, direct wages and applicable overheads.
3. Stock-in-trade – Weighted average cost.

2.15. Cash and Cash Equivalents:

Cash and cash equivalents comprises cash at bank (including deposits with banks with original maturity of three months or less) and cash in hand and short-term investments with an original maturity of three months or less. Deposits with banks are subsequently measured at amortized cost and short-term investments are measured at fair value through the Statement of profit and loss.

2.16. Non-current Assets held for sale:

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all the following criteria are met:

1. decision has been made to sell,
2. the assets are available for immediate sale in its present condition,
3. the assets are being actively marketed and
4. sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as 'held for sale' are measured at the lower of their carrying value and fair value less costs to sell. Non-current assets held for sale are no longer depreciated or amortized.

2.17. Impairment of Non – Financial Assets:

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount. Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

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. Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of Profit and Loss, except for properties previously revalued with the revaluation surplus taken to Other Comprehensive Income ("OCI"). For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation surplus. After impairment, depreciation or amortization is provided on the revised carrying amount of the asset over its remaining useful life.

The impairment assessment for all assets is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of Profit and Loss.

2.18. Share Capital:

Equity Shares are classified as equity.

2.19. Segment Reporting:

Operating segments are identified and reported in a manner consistent with the internal financial reporting provided to the chief operating decision makers, responsible for allocating resources and assessing performance of the operating segments.

2.20. Events after reporting date:

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the Standalone Financial Statements. Non-adjusting events after the Balance Sheet date which are material size or nature are disclosed separately in the Standalone Financial Statements.

2.21. Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised only when there is a present obligation as a result of past events and when a reasonable estimate of the amount of obligation can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liabilities are disclosed for (i) possible obligation 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. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

2.22. Financial instruments:

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of these instruments.

Financial assets and financial liabilities are initially measured at fair value. 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 or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as may be appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately as profit or loss.

2.23. Financial assets:

All regular purchases or sales of financial assets are recognised and derecognized on a trade date basis. Regular purchases or sales of financial assets that require delivery of assets within the time-frame established by regulations or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortized 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 amortized 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.

Interest income is recognised in the Statement of Profit and Loss for FVTOCI debt instruments. For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognised as profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in Other Comprehensive Income and accumulated under the heading of 'Reserve for debt instruments through Other Comprehensive Income'. When the investment is disposed off, the cumulative gain or loss previously accumulated in this reserve is reclassified to retained earnings.

All other financial assets are subsequently measured at fair value.

2.24. Effective interest method:

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees 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 debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

2.25. Investments in subsidiaries:

On initial recognition, these investments are recognized at cost plus any directly attributable transaction cost. Subsequently measured at cost and tested for impairment.

2.26. Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments 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 recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

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 Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee. Dividends on these investments in equity instruments are recognised in profit or loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised as profit or loss are included in the 'Other income' line item.

2.27. Financial assets at fair value through profit or loss (FVTPL):

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in Other Comprehensive Income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency 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 instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

2.28. Impairment of financial assets:

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognizes a loss allowance for the expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

2.29. De-recognition of financial assets:

The Company de-recognises a financial asset 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 party. 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 collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety, the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

2.30. Foreign exchange gains and losses:

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognised as profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in Other Comprehensive Income.

For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognized as profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in Other Comprehensive Income.

2.31. 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 and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured 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, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate 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 either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred 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; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, 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;
- the financial liability forms part of 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; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised as profit or loss. The net gain or loss recognised profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item in these Statement of Profit and Loss.

However, for not-held-for-trading 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, in which case these effects of changes in credit risk are recognised in profit or loss.

The remaining amount of change in the fair value of liability is always 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 reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in profit or loss.

Financial liabilities subsequently measured at amortized cost Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

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 net carrying amount on initial recognition.

Foreign Exchange Gains and Losses

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognised in 'Other income'.

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.

Derecognition of Financial Liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in profit or loss.

2.32. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies the Board of Directors of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

a. **Useful lives of property, plant and equipment and Intangible Assets**

The Company reviews the estimated useful lives of Property, Plant and Equipment at the end of each reporting period. During the current year, there has been no change in life considered for the assets except those specified in the exceptional items.

b. **Expected Credit Losses**

Expected credit losses of the Company are based on an evaluation of the collectability of receivables. A considerable amount of judgement is required in assessing the ultimate realization of these receivables, including their current credit worthiness, past collection history of each customer and ongoing dealings with them. If the financial conditions of the counterparties with which the Company contracted were to deteriorate, resulting in an impairment of their ability to make payments, additional expected credit loss may be required.

c. **Estimation of net realisable value of inventories**

Inventories are stated at the lower of cost and net realisable value. In estimating the net realisable value of inventories the Company makes an estimate of future selling prices and costs necessary to make the sale.

d. **Provision for employee benefits**

The Company uses actuarial assumptions to determine the obligations for employee benefits at each reporting period. These assumptions include the discount rate, expected long-term rate of return on plan assets, rate of increase in compensation levels and mortality rates.

e. **Provision for taxes**

Significant judgments are required in determining the provision for income taxes, including the amount expected to be paid/ recovered for uncertain tax positions.

f. **Fair Value Measurements**

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

g. **Leases**

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain or not to exercise the option to renew or terminate the lease. That considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

2.33. Changes in accounting policies and disclosures

Standard Amendments

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules as issued from time to time. On August 13, 2025, MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, applicable from April 1, 2026, as below:

Pursuant to the amendment to Ind AS 1 – Presentation of Financial Statements, where an entity breaches a loan covenant on or before the reporting date, and the liability becomes payable on demand, it must be classified as current, even if the lender subsequently agrees not to demand repayment. It is classified as current because, at the reporting date, the entity does not have the right to defer settlement for at least 12 months. However, if the lender has already provided by the reporting date a grace period extending at least 12 months beyond that date, during which the breach can be rectified, and repayment cannot be demanded, the liability is classified as non-current. The Company has not early adopted any amendments that have been notified but are not yet effective. This amendment is to be applied retrospectively for annual reporting periods beginning on or after April 1, 2026, in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors. The Company does not expect a significant impact of this amendment on the Standalone Financial Statements.

Amended Standards Adopted by the Company:

The 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. MCA notified the Companies (Indian Accounting Standards) Amendments Rules, 2025 on May 07, 2025, which is applicable to the Company w.e.f. April 1, 2025.

i. Ind AS 21 – Lack of Exchangeability

The amendment provides guidance on determining the exchange rate when a currency is not exchangeable into another currency. Where exchangeability is lacking, entities are required to estimate the spot exchange rate that would be used in an orderly transaction under prevailing economic conditions and disclose the estimation process, key inputs, and associated risks. The Company has reviewed the amendment and based on its evaluation, the Company has determined that it does not have any impact on its Standalone Financial Statements.

MCA notified the Companies (Indian Accounting Standards) Second Amendments Rules, 2025 on August 13, 2025, which is applicable to the Company w.e.f. April 1, 2025.

ii. Ind AS 1 – Classification of Liabilities as Current or Non-Current and Non- Current Liabilities with Covenants

The amendment relates to classification of liabilities as current and non-current with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments on its classification criteria of current and non-current liabilities.

iii. Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments Disclosures – Supplier Finance Arrangement:

The amendment in Ind AS 107 requires to inform users of Financial Statements of the existence of Supplier Finance Arrangements ("SFA") and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add SFA as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation, the amendments do not have any impact on the Standalone Financial Statements.

iv. Ind AS 12 Income Taxes- International Tax Reform – Pillar Two Model Rules:

The amendment incorporates certain exceptions relating to the recognition and disclosures of deferred tax arising from implementation of the Organisation for Economic Co-operation and Development ("OECD") Pillar Two Model rules. The amendment had no impact on the Standalone Financial Statements as the Company is not in the scope of the Pillar Two model rules.

3A. Property, Plant and Equipment

[₹ in lakh]

Particulars	Land	Development on Leasehold Land	Buildings	Plant and Machinery	Furniture and Fixtures	Office Equipments	Computers	Vehicles	Total
Deemed Cost									
As at March 31, 2024	**2,931**	**1**	**3,181**	**22,067**	**143**	**221**	**201**	**98**	**28,843**
Additions	-	-	449	1,130	0	4	16	-	1,599
Disposals and Impairment	-	-	-	(157)	-	-	-	(5)	(162)
Reclassification of Investment property	-	-	-	-	-	-	-	-	-
As at March 31, 2025	**2,931**	**1**	**3,630**	**23,040**	**143**	**225**	**218**	**93**	**30,280**
Additions	-	-	1,764	7,193	0	67	11	207	9,242
Disposals and Impairment	(0)	-	(0)	(2,549)	(8)	(12)	(12)	(3)	(2,584)
Reclassification of Investment property	-	-	-	-	-	-	-	-	-
As at March 31, 2026	**2,930**	**1**	**5,393**	**27,685**	**135**	**280**	**217**	**297**	**36,939**
Accumulated Depreciation									
As at March 31, 2024	**-**	**1**	**932**	**6,161**	**97**	**77**	**105**	**25**	**7,398**
Charged during the year	-	-	256	1,528	14	20	37	9	1,864
Disposals and Impairment	-	-	-	(69)	-	-	-	(5)	(74)
As at March 31, 2025	**-**	**1**	**1,188**	**7,620**	**111**	**97**	**142**	**29**	**9,189**
Charged during the year	-	-	310	1,839	14	20	30	26	2,240
Disposals and Impairment	-	-	(0)	(2,420)	(8)	(12)	(12)	(3)	(2,454)
As at March 31, 2026	**-**	**1**	**1,499**	**7,039**	**116**	**106**	**161**	**52**	**8,974**
Net Book Value									
As at March 31, 2025	**2,931**	**-**	**2,442**	**15,420**	**32**	**128**	**76**	**63**	**21,092**
As at March 31, 2026	**2,930**	**-**	**3,894**	**20,646**	**19**	**174**	**56**	**245**	**27,965**

The Addition during the year include those relating to R & D aggregating to ₹ NIL (Previous Year ₹ NIL)

B. Intangible Assets

[₹ in lakh]

Particulars	Computer Software
Deemed Cost	
As at March 31, 2024	**-**
Additions	-
Disposals and Impairment	-
As at March 31, 2025	**-**
Additions	24
Disposals and Impairment	-
As at March 31, 2026	**24**
Accumulated Amortisation	
As at March 31, 2024	**-**
Charged during the year	-
Disposals and Impairment	-
As at March 31, 2025	**-**
Charged during the year	7
Disposals and Impairment	-
As at March 31, 2026	**7**
Net Book Value	
As at March 31, 2025	**-**
As at March 31, 2026	**17**

C. Capital Work-in-Progress

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the period	**6,075**	1,705
Additions during the year	**6,871**	5,929
Capitalisation during the year	**(9,202)**	(1,559)
Balance at the end of the period	**3,744**	6,075

D. Intangible assets under development

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the period	**-**	-
Additions during the year	**11**	-
Capitalisation during the year		-
Balance at the end of the period	**11**	-

(i) Additional disclosure as required under Schedule III to the Companies Act, 2013 as at 31st March 2026:

CWIP ageing schedule(includes intangible under development): [₹ in lakh]

Particulars	< 1 year	1-2 years	2-3 years	> 3 years	Total
Projects in Progress	2,328	260	42	108	**2,737**
Projects temporarily suspended	189	823	7	-	**1,018**

(ii) Additional disclosure as required under Schedule III to the Companies Act, 2013 as at 31st March 2026:

Details of proposed expenditure for outstanding projects:

Particulars	< 1 year	1-2 years	2-3 years	> 3 years	Total
New plant for one of the products	1,534				**1,534**
Storage tanks	207				**207**
Utility plant	144				**144**
Instrumentation Upgradation	3				**3**
Electrical updgradation	59				**59**
Misc Projects	106				**106**
Total	**2,053**	**-**	**-**	**-**	**2,053**

(i) Additional disclosure as required under Schedule III to the Companies Act, 2013 as at 31st March 2025:

CWIP ageing schedule:

Particulars	< 1 year	1-2 years	2-3 years	> 3 years	Total
Projects in Progress	5,246	461	198	170	**6,075**
Projects temporarily suspended	-	-	-	-	**-**

(ii) Additional disclosure as required under Schedule III to the Companies Act, 2013 as at 31st March 2025:

Details of proposed expenditure for outstanding projects:

Particulars	< 1 year	1-2 years	2-3 years	> 3 years	Total
New plant for one of the products	6,340				**6,340**
Storage tanks	142				**142**
Utility plant	19				**19**
Misc Projects	156				**156**
Total	**6,657**	**-**	**-**	**-**	**6,657**

E. Right-of- Use Assets

[₹ in lakh]

Particulars	Land*	Buildings	Plant and Machinery	Total
Deemed Cost				
As at March 31, 2024	**3,754**	**736**	**2,717**	**7,207**
Addition	2,553		-	2,553
Disposal	-	-	-	-
As at March 31, 2025	**6,307**	**736**	**2,717**	**9,760**
Additions			-	-
Disposals	-	-	-	-
As at March 31, 2026	**6,307**	**736**	**2,717**	**9,760**
Accumulated Depreciation				
As at March 31, 2024	**393**	**209**	**1,359**	**1,961**
Charged during the year	162	61	272	495
Disposal	-	-	-	-
As at March 31, 2025	**555**	**270**	**1,631**	**2,456**
Charged during the year	176	61	272	509
Disposal	-	-	-	-
As at March 31, 2026	**731**	**331**	**1,902**	**2,965**
Net Book Value				
As at March 31, 2025	**5,752**	**466**	**1,087**	**7,305**
As at March 31, 2026	**5,576**	**404**	**815**	**6,796**

*Right of Use Asset - Land includes the lease hold land (Plant-II) in respect of which the Company made payments during the previous year towards the arrears of lease ever since the lease is commenced. Pending receipt of the final assessment order ascertaining the lease obligations of the company, the addition is based on the accepted lease obligations.

Further, during previous year to the asset addition includes ₹ 2,415 lakhs leased land acquired at Saykha industrial estate, Gujarat for setting up of additional manufacturing facilities.

4. Non-Current Investments

[₹ in lakh]

	Particulars	As at March 31, 2026	As at March 31, 2025
a)	**Investments in equity instruments at FVTOCI**		
	Quoted Investments		
	Chennai Petroleum Corporation Limited	5	2
	(500 Equity shares [500 in Previous Year] of ₹ 10 each fully paid)		
	Total of Quoted Investments	5	2
	Unquoted Investments		
	First Energy 6 Private Limited	109	109
	[10,85,000 Equity shares [10,85,000 in Previous Year] of ₹10 each fully paid]		
	First Energy 5 Private Limited	248	248
	[24,79,000 Equity shares [24,79,000 in Previous Year] of ₹10 each fully paid]		
	Amplus Iru Private Limited	263	1,146
	[26,32,001 Equity shares [1,14,57,122 in Previous Year] of ₹ 10 each fully paid]		
	AM Foundation*	0	0
	(1,700 Equity shares [1,700 in Previous Year] of ₹ 10 each fully paid)		
	Total of unquoted Investments	620	1,502
	Total of Investments at FVTOCI (a)	625	1,504
b)	**Investment in equity shares of wholly owned subsidiary**		
	Unquoted Investments - At Cost		
	M/s. AMCHEM Speciality Chemicals Private Limited, Singapore	39,851	39,851
	(5,14,21,208 Equity Shares [5,14,21,208 in Previous Year] of USD 1 each fully paid)		
	M/s. Manali Speciality Private Limited	10	10
	[95,000 Equity shares [95,000 in Previous Year] of ₹10 each fully paid]		
	Total of Investments in Wholly Owned Subsidiary (b)	39,861	39,861
	Total Non-Current Investments (a+b)	40,485	41,365
	Aggregate book value of quoted investments	5	2
	Aggregate market value of quoted investments	5	2
	Aggregate carrying value of unquoted investments	40,480	41,363
	Aggregate amount of impairment in value of investments	-	-

* Less than a Lakh

Note: Investments in First Energy 5 Private Limited, First Energy 6 Private Limited and Amplus Iru Private Limited are made under Captive power agreements.

5. Other Financial Assets

(₹ In Lakh)

	As at March 31, 2026	As at March 31, 2025
Non-Current		
Electricity deposits	**425**	508
Rental deposits	**94**	86
Total Other Financial Assets	**519**	594

6. Other Non-Current Assets

Particulars	As at March 31, 2026	As at March 31, 2025
Capital advances	**111**	1,276
Advance tax (Net of provision for tax)*	**1,908**	1,673
Other Advances	**12**	160
Prepaid expenses	**64**	57
Total Other Non-Current Assets	**2,095**	3,166

*Includes ₹ 1,451 lakhs [Previous year ₹ 1,432 lakhs] of refund due to the Company adjusted against disputed Income Tax demands by the Income Tax Department and the disputed demands are being contested by the Company before the appropriate forum. Based on the Legal advise received by the Company and merits of the cases, the Company is expecting favourable orders.

7. Inventories

Particulars	As at March 31, 2026	As at March 31, 2025
Inventories (lower of cost and net realisable value)		
Raw materials	**7,496**	3,195
Raw materials in transit	**799**	467
Work-in-progress	**33**	218
Traded goods	**1,145**	-
Finished goods	**3,938**	12,003
Stores and spares	**267**	241
Total Inventories	**13,678**	16,124

8. Trade Receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Current:		
Unsecured		
Trade Receivables - Considered good	**13,319**	6,878
Trade Receivables - Credit Impaired	**24**	28
Allowance for doubtful debts	**(24)**	(28)
Total Trade Receivables	**13,319**	6,878

Additional disclosure required under Schedule III to the Companies Act, 2013 [₹ in lakh]

	Particulars	As at March 31, 2026	As at March 31, 2025
(i)	Undisputed Trade receivables – considered good		
	Not Due	**11,351**	6,122
	Due for Less than 6 months	**1,912**	746
	Due for More than 6 months but less than 1 year	**55**	9
	Due for More than 1 year but less than 2 year	**1**	1
(ii)	Undisputed Trade Receivables – credit impaired		
	Due for More than 6 months but less than 1 year	**2**	-
	Due for More than 1 year but less than 2 year	**1**	-
	Due for More than 3 years	**21**	28
	Less: Allowance for Doubtful Debts	**(24)**	(28)
	Total Trade Receivables	**13,319**	6,878

9. Cash and Cash Equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with Banks:		
In current accounts *	**215**	57
In Fixed deposit with original maturity period of less than 3 months#	**11,750**	11,000
Cash on hand	**1**	1
Cash and Cash Equivalents	**11,966**	11,058

* Represents debit balance in cash credit accounts

Fixed deposits included ₹ 1,500 lakhs (previous year nil) lien marked by Yes bank for the facilities availed.

10. Bank balances other than Cash and Cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Fixed Deposit with original maturity period more than 3 months and less than 12 months#	**3,100**	3,000
Margin money deposit Accounts	**94**	88
Unspent CSR Accounts	**134**	350
Unpaid dividend accounts	**354**	384
Total Bank balances	**3,682**	3,822

Margin Money deposits have an original maturity period of less than 12 months

Fixed deposits for the current year includes ₹ 3,100 lakhs (previous year nil) lien marked by DCB bank for the facilities availed

11. Loans

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Security deposits		
Considered Good - Unsecured	**24**	19
Other Loans:		
Considered Good - Unsecured	**12**	14
Total Loans	**36**	33

12. Other Financial Assets

[₹ in lakh]

Particulars	As at March 31, 2026	As at March 31, 2025
Interest Accrued on Bank Deposits	**117**	92
Interest Accrued on Customer balances	**-**	-
Rental Deposits	**20**	44
Insurance claims receivable (Refer Note No. 54)	**1,193**	1,871
Total Other Financial Assets	**1,330**	2,007

13. Other Current Assets

Particulars	As at March 31, 2026	As at March 31, 2025
Advances given to vendors	**222**	598
Prepaid expenses	**392**	412
Unamortised premium on forward contracts	**2**	6
Balances with Government authorities		
GST / CENVAT / VAT / Customs duty Credit receivable	**118**	1,163
Total Other Current Assets	**734**	2,179

14. Equity share capital

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Amount	No. of shares	Amount
Authorised share capital				
Share capital at the beginning of the year (Face Value of ₹ 5 each)	**24,00,00,000**	**12,000.00**	24,00,00,000	12,000.00
Movements during the year	**-**	**-**	-	-
Share capital at the end of the year (Face Value of ₹ 5 each)	**24,00,00,000**	**12,000.00**	24,00,00,000	12,000.00

Issued, Subscribed and paid-up shares

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Amount	No of shares	Amount
Fully paid up Equity Share capital (Face Value of ₹ 5 each)	**17,19,99,229**	**8,600**	17,19,99,229	8,600
Forfeited Share capital (Face Value of ₹ 5 each)		**3**		3
Total Equity Share Capital	**17,19,99,229**	**8,603**	17,19,99,229	8,603

There has been no movement in the Share Capital during the year.

a) Reconciliation of number of shares outstanding

[₹ in lakh]

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Amount	No. of shares	Amount
Outstanding at the beginning of the year	**17,19,99,229**	**8,603**	17,19,99,229	8,603
Issued / Forfeited during the year	**-**	**-**	-	-
Outstanding at the end of the year	**17,19,99,229**	**8,603**	17,19,99,229	8,603

b) Details of shareholders holding more than 5% shares in the company

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Holding %	No. of shares	Holding %
Fully paid equity shares				
M/s. SIDD Life Sciences Private Limited	**6,58,46,053**	**38.28**	6,58,46,053	38.28
M/s. Tamilnadu Industrial Development Corporation Limited	**1,12,12,500**	**6.52**	1,12,12,500	6.52

c) Details of shareholders holding by Promoters

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Holding %	No. of shares	Holding %
Fully paid equity shares				
M/s. SIDD Life Sciences Private Limited	**6,58,46,053**	**38.28**	6,58,46,053	38.28
M/s. Tamilnadu Industrial Development Corporation Limited	**1,12,12,500**	**6.52**	1,12,12,500	6.52
M/s. Ranford Investments Limited	**85,050**	**0.05**	85,050	0.05
Mr. Ashwin C Muthiah*	**13,648**	**0.01**	13,648	0.01
M/s. Southern Petrochemical Industries Corporation Limited*	**10,000**	**0.01**	10,000	0.01
Total	**7,71,67,251**	**44.86**	7,71,67,251	44.86

There has been no change in the Promoters shareholding during the current and previous year

* Shareholding percentage is less than 0.01%.

d) Terms / rights attached to equity shares

The Company has only one class of shares referred to as equity shares having a Face value of ₹ 5 fully paid up. In the event of liquidation, the same will be in proportion to the number of equity shares held. Each fully paid up equity share holders is entitled to one vote per share and carries rights to dividends as may be declared by the Company.

15. Long-Term Lease Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Operating Lease Liabilities (Ind AS 116)*	**6,638**	6,893
Total Non-Current Financial Liabilities	**6,638**	6,893

* Refer note no 53

16. Long-Term Borrowings

Particulars	As at March 31, 2026	As at March 31, 2025
Secured - at amortised cost		
Term Loan	**2,589**	**1,900**
Total Long-Term Borrowings	**2,589**	**1,900**

The Company has sanctioned with Term Loan of ₹ 50 Crores from Bank and out of which the Company has availed ₹ 34.52 Crores in tranches. The term loan is repayable in 20 quarterly installments and first installment starting from March 2026. The term loan is secured by way of first charge on moveable fixed assets of plant 2 (excluding vehicles) and second pari-passu charge on entire current assets (excluding current investments).

There is no default as on the balance sheet date in the repayment of borrowings and interest thereon. No loans have been guaranteed by the directors and others.

17. Other Financial Liabilities

[₹ in lakh]

Particulars	As at March 31, 2026	As at March 31, 2025
Deposits		
Dues to Related Party - (Tamilnadu Petroproducts Limited)	63	57
Total Other Financial Liabilities	**63**	57

18. Non-Current Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Employee Benefits		
Post employment benefits	88	18
Compensated absences	69	60
Total Non-Current Provisions	**157**	79

19. Deferred Tax Liability (Net)

Particulars	As at March 31, 2026	As at March 31, 2025
Tax Effect of Items Constituting Liabilities		
Property, Plant & Equipment	**1,555**	1,390
(Difference between book balance and tax balance)		
Tax Effect of Items Constituting Assets		
Provision for Lease Assets / (Liability) - Ind AS 116	**(694)**	(620)
Provision for doubtful debts / advances	**(6)**	(7)
Provisions Disallowed u/s. 43B of Income Tax Act, 1961	**(470)**	(627)
Mutual fund fair value income	**-**	(42)
Provision for TNPDCL Demand	**(30)**	-
Provisions for Compensated absences, Gratuity and Other employee benefits	**(85)**	(61)
Net Deferred Tax Liabilities (Asset)	**270**	33

20. Other Non-Current Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured		
Deposits	**8**	24
Deferred Income	**217**	233
Non- Current Liability - Ind AS 109	**7**	12
Total Non-Current Liabilities	**232**	269
The deposits have been classified as under:		
As Non-Current Liabilities	**8**	24
As Current Liabilities (Disclosed in Note 25)	**15**	15
Total Deposits	**23**	39

[₹ in lakh]

Particulars	As at March 31, 2026	As at March 31, 2025
Interest free deposit movement:		
Opening Deposit Balance	**39**	54
Less: Deposit refunded during the year	**16**	15
Closing Balance	**23**	39

The above deposits include the amounts received from two entities towards use of treated effluent pipeline as per the agreement entered into with them. These deposits are interest free and are adjustable in fifteen equal annual installments commencing from October 2012.

Particulars	As at March 31, 2026	As at March 31, 2025
The Deferred Income have been classified as under:		
As Non-Current Deferred Income	**217**	233
As Current Deferred Income	**17**	17
Total Deferred Income	**234**	250

The above Deferred Income was received as subsidy from Ozone Cell, Ministry of Environment and Forests, Government of India for phasing out of HCFC and the same has been considered for Deferred Income as per Ind AS 20: Accounting for Government Grants and Disclosure of Government Assistance. The current portion of the above said subsidy is shown under Other Current Liabilities in Note: 25.

21. Current Borrowings

Particulars	As at March 31, 2026	As at March 31, 2025
Secured - at amortised cost		
From Banks:		
Current Maturities of Long-Term Borrowings	**714**	100
Working Capital Loan	**100**	100
Bills Discounted	**1,937**	520
Cash Credit	**721**	1,923
Total Current Borrowings	**3,472**	2,643

Cash Credit and Working Capital Loan from banks, which is repayable on demand, is secured by hypothecation of inventories, book debts and other receivables, both present and future, and by way of a second charge on the Company's immovable properties.

22. Short-Term Lease Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Operating Lease Liabilities (Ind AS 116)*	**532**	460
Total Short-Term Lease Liabilities	**532**	460

* Refer note no. 53

23. Trade Payables

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Payables		
Dues to Micro and Small enterprises	**279**	235
Dues to Related Parties	**205**	1,098
Dues to Others	**9,585**	6,339
Total Trade Payables	**10,069**	7,672

Additional disclosure required under Schedule III to the Companies Act 2013 [₹ in lakh]

	Particulars	As at March 31, 2026	As at March 31, 2025
(i)	Undisputed Dues to Micro and Small enterprises		
	Not Due	**261**	235
	Due for Less than 6 months*	**18**	0
(ii)	Undisputed Dues to Others		
	Not Due	**5,884**	2,894
	Due for Less than 6 months	**3,817**	4,540
	Due for More than 6 months but less than 1 year	**82**	2
	Due for More than 1 year but less than 2 year*	**0**	0
	Due for More than 2 year but less than 3 year*	**-**	0
	Due for More than 3 years	**7**	-
	Total Trade Payables	**10,069**	7,672

* Less Than 1 lakh

24. Other Financial Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Unpaid dividend	**355**	384
Contractually reimbursable expenses	**327**	305
Capital Creditors	**339**	805
Liability of Unspent CSR	**124**	549
Total Other Financial Liabilities	**1,145**	2,043

25. Other Current Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory remittances (Contributions to PF and ESIC, Withholding taxes, GST, ED, VAT, Service Tax, etc)	**346**	66
Deposits	**15**	15
Deferred Income	**17**	17
Customer Advances	**282**	264
Other Current Liabilities*	**938**	1,711
Total Other Current Liabilities	**1,598**	2,073

* Other Current Liabilities include the following provision of

1. ₹ 466 Lakh (Previous year ₹ 1,237 Lakh) relating to dispute in rate of customs duty for one of the imported raw materials, contested by the Company before the appropriate forum (Ref. Note No.: 39).
2. ₹ 472 Lakh (Previous year ₹ 472 Lakh) has been provided for renewable power obligation as per the TNERC/CERC guidelines. Further, the Company has purchased REC certificates for a value of ₹ 6 lakhs in the earlier years.

26. Current Provisions

[₹ in lakh]

Particulars	As at March 31, 2026	As at March 31, 2025
Employee benefits		
Gratuity	**169**	152
Post employment benefits	**2**	-
Compensated absences	**11**	10
Others		
Provision for wage arrears *	**1,200**	1,055
Other Provisions #	**577**	1,305
Total Current Provisions	**1,959**	2,522

*** Provision for wage arrears**

In 2004, a claim was made against the Company by its workmen, demanding wage revision for the years from 2001 to 2004. This matter was adjudicated by the Industrial Tribunal on October 23, 2008, which was challenged by the Company in the Supreme Court. In October 2015, the employees' union filed an Interim Application (IA) No. 12 of 2015 in the Supreme court. Upon hearing both sides, the Supreme court gave directions to withdraw the SLP and approach the High Court. Accordingly a fresh application has been filed in the Madras High Court which is pending. In the month of March 2026, the Company has received an order in favour of the employees by the Hon'ble High Court of Madras, and the Company is in the process of filing an appeal before the Division Bench of the Madras High Court.

In the meantime based on the Management's efforts most of the workmen have opted for out of court settlement to whom payments were made and adjusted against the earlier provisions. The provision carried is in respect of the remaining workmen, who have not yet come forward for out of court settlement and would be subject to the the final outcome of the case. The management is confident that the provision carried in the books of accounts would be adequate to meet the expected liabilities.

During the current year, ₹ 35 lakhs [previous year ₹ 32 lakhs] has been paid to Joint Commissioner of Labour- II for appeal under Payment of Wages Act, 1936.

The movement in the provision for wage arrears is given below:

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	**1,055**	936
Charge for the year	**180**	151
Payments made during the year	**(35)**	(32)
Balance at the end of the year	**1,200**	1,055

Other Provisions include ₹ NIL (Previous Year ₹ 1,083 Lakh) relating to claim by an erstwhile customer being contested by the Company in the City Civil Court, Mumbai. During the year, the claim filed by the erstwhile customer was dismissed by the City Civil Court, Mumbai, in favour of the Company. Consequently, the provision of ₹ 1,083 Lakhs carried in the books of accounts has been reversed, being no longer required, and shown under exceptional items. (Ref Note No.: 39)

During the year, the company has received a show-cause notice from TNPDCL demanding an amount of 120 Lakhs towards revised energy consumption charges for the period 01.04.2024 to 31.03.2025, computed through 15-minute block-wise scheduled energy adjustments under DSM regulations 2019.

27. Revenue from Operations

[₹ in lakh]

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of Products		
Finished Goods	**73,403**	64,481
Traded Goods	**5,107**	-
Other Operating Revenues		
Scrap Sales	**124**	270
Total Revenue from Operations	**78,634**	64,751
Details of Sales (Net):		
Manufactured & Traded Goods:		
Propylene Oxide	**1,360**	953
Propylene Glycol	**32,183**	30,486
Polyol	**33,208**	21,014
Traded goods	**5,108**	-
Others	**9,185**	13,086
Total Manufactured Goods	**81,044**	65,539
Less: Trade Discounts	**2,534**	1,058
Total Sale of Products	**78,510**	64,481

28. Other Income

	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a)	**Interest income**		
	On Bank deposits (at amortised cost)	**897**	1,385
	From Customers and Others	**45**	75
b)	**Dividend income**		
	Dividend income from subsidiary/ Mutual Fund	**0**	428
c)	**Profit on sale of Investments**	**-**	18
d)	**Other non-operating income**		
	(Net of expenses directly attributable to such income)		
	Insurance claims received	**17**	1
	Provisions no longer required written back	**7**	-
	Duty Drawback	**9**	13
	Profit on sale of Plant, Property and Equipment	**-**	3
	Business support income	**2,451**	158
	Miscellaneous Income	**113**	95
	Total Other Income	**3,539**	2,176

29. Cost of materials consumed

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening Stock	**3,663**	2,805
Add: Purchases	**47,860**	52,843
Less: Closing Stock	**8,295**	3,663
Total Cost of materials consumed	**43,228**	51,985

30. Purchases of Stock in Trade

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Stock in Trade	**5,990**	-
Purchases of Stock in Trade	**5,990**	-

31. Changes in inventories of finished goods and work-in-progress

[₹ in lakh]

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Inventories at the end of the year		
Finished Goods	**3,938**	12,003
Work-in-progress	**33**	217
Traded Goods	**1,145**	-
	5,116	12,220
Inventories at the beginning of the year		
Finished Goods	**12,003**	5,185
Work-in-progress	**217**	193
Traded Goods	**-**	-
	12,220	5,378
Net Decrease / (Increase) in Inventories	**7,104**	(6,842)

32. Employee Benefits Expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries and Wages *	**2,645**	2,704
Directors remuneration	**203**	183
Contribution to provident and other funds	**179**	165
Gratuity expense	**69**	8
Post-Employment benefits	**16**	1
Staff welfare expenses	**536**	625
Employee Benefits Expenses (Gross)	**3,648**	3,686
(Add) / Less: Remeasurement Cost of net defined employee benefits	**23**	17
Total Employee Benefits Expenses	**3,625**	3,669

* Salaries and Wages include ₹ 179 lakh (Previous Year ₹ 169 lakh) towards R & D Expenses

33. Finance Costs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Finance Cost on Lease under Ind AS 116	**701**	713
Interest on working capital borrowings	**273**	162
Interest on term loan	**139**	-
Other Finance cost	**67**	58
Total Finance Costs	**1,180**	933

34. Depreciation and Amortization Expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of property, plant and equipment pertaining to continuing operations	**2,240**	1,864
Amortisation of Intangible Asset	**7**	-
Depreciation on Right of use Assets under Ind AS 116	**509**	495
Total Depreciation Expenses	**2,756**	2,359

35. Power, Fuel & Water Expense

[₹ in lakh]

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Power	**2,649**	2,509
Fuel	**5,338**	6,048
Water	**1,119**	937
Total Power, Fuel & Water Expense	**9,106**	9,494

36. Other Expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Consumption of Stores and Spares	**395**	426
b) Repairs and Maintenance		
Building	**248**	109
Plant and machinery	**1,502**	1,556
Information Technology	**101**	73
Others	**320**	333
c) Legal and Professional	**788**	679
d) Royalty Expense	**-**	71
e) Directors sitting fees	**65**	42
f) Expenditure on Corporate Social responsibility	**47**	386
g) Loss on Property, Plant and Equipment sold/scrapped/ written off	**10**	18
h) Provision for Bad and Doubtful Debts	**3**	-
i) Payments to Statutory auditors:		
For Statutory Audit	**17**	15
For Tax Audit	**3**	3
For Other services	**8**	7
Reimbursement of expenses	**1**	0
j) Storage Charges	**106**	110
k) Insurance	**290**	439
l) Rates & Taxes	**166**	154
m) Agency Commission	**181**	179
n) Freight Outward	**1,146**	635
o) Security Expenses	**247**	219
p) Net foreign exchange losses	**288**	88
q) Miscellaneous Expenses	**651**	443
Total Other Expenses	**6,583**	5,985

The above Other Expenses include R&D spend aggregating to ₹ 100 lakh (Previous Year ₹ 189 lakh) under various items comprised therein.

37. Income Tax recognised in Statement of Profit and Loss

[₹ in lakh]

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current Tax		
In respect of current year	**501**	-
In respect of prior years	**-**	5
Deferred Tax		
In respect of current year	**237**	(108)
Total Tax Expenses	**738**	(103)

Reconciliation of Effective Tax Rate FY 2025-26 (applicable tax rate 25.168%):

Particulars	Income	Tax Amount
Income as per Profit and Loss before tax	**4 ,191**	1 ,055
Expenditure not allowed in Income Tax	**1 ,494**	376
Expenditure allowed- Temporary differences allowed	**(908)**	(228)
Non-Operating Income	**46**	7
Exempted Income	**(1,870)**	(471)
Total	**2 ,953**	738
Tax on OCI - Remeasurement of Employee benefits and others	**(21)**	(5)

Reconciliation of Effective Tax Rate FY 2024-25 (applicable tax rate 25.168%):

	Income	Tax Amount
Income as per Profit and Loss before tax	**(993)**	(250)
Expenditure not allowed in Income Tax	**1 ,190**	299
Expenditure allowed- Temporary differences allowed	**(676)**	(170)
Exempted Income	**52**	13
Total	**(427)**	(108)
Tax on OCI - Remeasurement of Employee benefits and others	**(18)**	(5)

38. Earnings Per Share (EPS)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
The following reflects the profit and shares related data used in the Basic EPS computations:		
Profit for the period	**3,476**	(874)
No. of Shares used in computing earnings per share	**17,19,99,229**	17,19,99,229
Earnings Per Share - Basic and Diluted (in Rupees)	**2.02**	(0.51)
Face Value Per share (in Rupees)	**5.00**	5.00

39. Exceptional Item

(i) For the current year:

(a) The Company has received Insurance claim of ₹ 816 lakhs towards the stocks affected by the floods (Cyclone Michaung) in the month of October 2025 and consequently expensed off ₹ 197 Lakhs (net) which was carried as claim receivables for the damaged inventories and shown as exceptional item.

(b) The Company sold a portion of its land (0.1857 acres) for a consideration of ₹ 46.33 lakhs. The carrying amount of the portion sold was ₹ 0.46 lakhs. Accordingly, a gain on sale of land amounting to ₹ 45.87 lakhs has been shown as an exceptional item in the standalone financial statements.

(c) The Company has carried out physical verification of Property, plant and Equipment during the period and identified certain assets having a carrying book value of ₹ 54 lakhs to be no longer in use and written off from the books of accounts and shown under exceptional item in the standalone financial statements.

(d) On November 21, 2025, the Government of India notified the four Labour Codes—namely the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020—collectively referred to as the New Labour Codes, consolidating 29 existing labour laws.

The Company has assessed and disclosed the incremental impact of these changes on employee benefit obligations based on the best information available, read together with the FAQs issued by the Ministry of Labour & Employment and the Institute of Chartered Accountants of India. Considering the materiality and the regulatory-driven, non-recurring nature of the impact, an incremental amount of ₹ 34 lakhs has been presented as an exceptional item.

The Company continues to monitor the finalisation of rules by the State Government and clarifications from the Government on other aspects of the New Labour Codes and will account for such developments as needed.

(e) The customs duty case relating to imported raw materials was decided in favour of the Company by the Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Mumbai. Consequently, the provision of ₹ 770 Lakhs (net) carried in the books of accounts has been reversed, being no longer required, and shown as an exceptional item.

(f) The claim filed by the erstwhile customer was dismissed by the City Civil Court, Mumbai, in favour of the Company. Consequently, the provision of ₹ 1,083 Lakhs carried in the books of accounts has been reversed, being no longer required, and shown under exceptional item.

(ii) For the previous year:

(a) The Company has provided for an amount of ₹ 279 lakhs towards the diminution in the value of certain finished goods and ₹ 42 lakhs towards the anticipated deductions from the insurance claim for the damaged inventories and shown as exceptional item.

40. Segment Reporting (IND AS 108)

The Company is exclusively engaged in the business of Manufacture and sale of Petrochemical products primarily in India. As per Ind AS 108 “Operating Segments” specified under Section 133 of the Companies Act, 2013, there are no reportable operational or geographical segments applicable to the Company.

41 Contingent Liabilities and Commitments (to the extent not provided for) (Ind AS 37)

i) Contingent Liabilities

a) Claims against the Company not acknowledged as debt [₹ in lakh]

S. No	Nature of the Dues	As at March 31, 2026	As at March 31, 2025
1	Claim from TNPCB	**200**	200
2	Other Claim	**110**	-

1 During the year 2019-20, the Company has received a demand from Tamilnadu Pollution Control Board (TNPCB) seeking payment of ₹ 200 lakh as interim environmental compensation for causing damages to the environment pursuant to order of National Green Tribunal (NGT). Further the NGT has directed to identify the industries that are causing pollution and collect the environmental compensation. In the opinion of the Company the PCB has made the demand without following the above direction. The Company has filed its submissions denying liability mentioned in demand notice and is awaiting the response from TNPCB.

2 During the current year, in respect of the petition filed by certain employees disputing the wages withheld by the Company, the tribunal has decided in favour of employees ordering an award of ₹ 110 lakhs. Based on the relevant facts, the Company is in the process of filing an appeal before the appropriate authorities against the order.

b) Other money for which the Company is contingently liable:

Nature of the Dues	Forum before which the dispute is pending	Period to which it relates	As at March 31, 2026	As at March 31, 2025
Goods and Service Tax	Dy. Commissioner - Appeals	2018-19	-	20
		2020-21	10	10
	Disputed Excise & Service Tax Demand		**10**	**30**
Sales Tax	Sales Tax Tribunal under Sales Tax Act	2000-01	11	11
	Appellate Deputy Commissioner (CT)	2008-09	6	6
	Hon'ble Madras High Court	Various Years	11	11
	Disputed Sales Tax Demand		**28**	**28**

Nature of the Dues	Forum before which the dispute is pending	Assessment Year	As at March 31, 2026	As at March 31, 2025
Income Tax	Hon'ble Madras High Court	2006-07	2	2
	Commissioner of Income Tax (A) (NFAC)	2008-09	518	518
	Commissioner of Income Tax (A) (NFAC)	2010-11	177	177
	Commissioner of Income Tax (A) (NFAC)	2010-11	29	29
	Commissioner of Income Tax (A) (NFAC)	2011-12	345	345
	Commissioner of Income Tax (A) (NFAC)	2012-13	477	477
	Income Tax Appellate Tribunal	2013-14	29	29
	Income Tax Appellate Tribunal	2014-15	89	89
	Income Tax Appellate Tribunal	2015-16	108	108
	Assistant Commissioner of Income Tax (LTU)	2015-16	40	40
	Income Tax Appellate Tribunal	2016-17	232	232
	Hon'ble Madras High Court	2017-18	42	42
	Commissioner of Income Tax (A) (NFAC)	2017-18	5	-
	Assessing Officer	2018-19	254	254
	Commissioner of Income Tax (A) (NFAC)	2020-21	28	35
	Assessing Officer *	2022-23	4	4
	**Disputed Income Tax Demand ** **		**2,379**	**2,381**
	Grand Total		**2,417**	**2,439**

* Against the above demands, the Company has not paid any amount during the year. However, the said demand has been adjusted against the refund for the AY 2025-26. Further, the demand of has been rectified and reduced to ₹0.04 lakhs during the FY 2026-27.

** Includes Rs. 1,451 lakhs [Previous year Rs. 1,432 lakhs] of refund due to the Company adjusted against disputed Income Tax demands by the Income Tax Department and the disputed demands are being contested by the Company before the appropriate forum. Based on the Legal advise received by the Company and merits of the cases, the Company is expecting favourable orders.

The above amounts are based on the notices of demand or the assessment orders or notifications by the relevant authorities, as the case may be, and the Company is contesting these claims with the respective authorities. Outflows, if any, arising out of these claims would depend on the outcome of the decisions of the appellate authorities and the Company's rights for future appeals before the Judiciary. No reimbursements are expected.

ii) Capital & Other Commitments [₹ in lakh]

Particulars	As at March 31, 2026	As at March 31, 2025
Estimated amount of contracts remaining to be executed (net of advances):	**15,177**	21,474
Bank Guarantees	**3,709**	776
Letter of Credits	**3,322**	1,474
Total Commitments	**22,209**	23,724

42 Dues to MSME

	Particulars	As at March 31, 2026	As at March 31, 2025
(a)	The principal amount remaining unpaid to any supplier at the end of each accounting year *	409	451
(b)	The interest payable thereon on (a)	-	-
(c)	The amount of interest paid by the buyer along with the amount of the payment made to the supplier beyond the due date during each accounting year	-	-
(d)	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(e)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(f)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

* includes amount payable to capital creditors (Mircro and Small enterprises) which are not part of trade payables.

43. Employee Benefits (Ind AS 19):

Defined contribution plans

The Company makes Provident fund and Pension (Funded) contributions to defined contribution plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 174 lakh (year ended 31 March 2025 - ₹ 160 lakh) for Provident Fund, Pension Fund and ESI Contributions in the Statement of Profit and Loss. The contributions payable by the Company to these plans are at the rates specified in the rules of the schemes.

Defined benefit plans

The Company offers the following employee benefit schemes to its employees:

i) Gratuity (included as part of gratuity expense as per Note 32 : Employee benefits expense).

ii) Post-employment benefits (included as part of Post employment benefits as per Note 32 : Employee benefits expense)

iii) Compensated absences ₹ 59 lakhs (previous year nil) (included as a part of Salaries & Wages as per Note 31: Employee benefits expense)

Gratuity- Plant 1:

Gratuity payable to employees is based on the employees' service and last drawn salary at the time of leaving the services of the Company and is in accordance with the rules applicable for payment of Gratuity.

Inherent Risk:

The Plan is Defined Benefit in nature, administered by a Trust which is sponsored by the Company and hence it underwrites all the risks pertaining to the Plan. In particular, this exposes the Company to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying Plan assets. This may result in an increase in cost of providing these benefits to its employees in future. Since these benefits are lump sum in nature, the Plan is not subject to any longevity risk.

Gratuity- Plant 2:

The Gratuity Fund relating to Plant -II is being maintained with Life Insurance Corporation of India and the Company contributes to the fund based on the valuation by LIC.

Pension

The Company considers Pension for its employees at Plant 1, in accordance with the Rules of the Company.

Principal actuarial assumptions used to determine the present value of the defined benefit obligation are as follows:

Assumptions	Pension (Funded)		Gratuity (Funded)	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Discount Rate (%)	7.70%	6.84%	7.71%	6.84%
Expected rate of salary increase (%)	5.00%	5.00%	5.00%	5.00%
Attrition Rate (%)	3.00%	3.00%	3.00%	3.00%
Weighted Average Duration of Defined Benefit Obligation (Years)	1.94	2.38	11.32	10.00

Net Employee benefit expense recognized in the employee cost in Total Comprehensive Income

[₹ in lakh]

Particulars	Pension (Funded)		Gratuity (Funded)	
	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Expense recognised in Statement of Profit or Loss				
Current service cost	1	1	38	38
Past service cost	-	-	28	-
Interest cost on benefit obligation	5	12	38	40
Expected return on plan assets	(8)	(12)	(29)	(42)
Sub Total	**6**	**1**	**75**	**36**
Recognised in Other Comprehensive Income				
Net actuarial (gain)/loss recognized in the year				
i. Demographic Assumptions on obligation		-		
ii. Financial Assumptions on obligation	(1)	3	(30)	11
iii. Experience Adjustments on obligation	(2)	(33)	(32)	58
iv. Actual Return on Plan Assets Less Interest on Plan Assets	3	30	84	(69)
Sub Total	**-**	**-**	**23**	**-**
Net benefit expense	**(2)**	**1**	**97**	**36**

Balance Sheet

Particulars	Pension (Funded)		Gratuity (Funded)	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Benefit asset / liability				
Present value of defined benefit obligation	69	66	502	645
Fair value of plan assets	112	119	334	574
Assets / (Liability) recognized in the balance sheet	**43**	**53**	**(169)**	**(71)**
Change in the present value of the defined benefit obligation				
Opening defined benefit obligation	66	168	645	629
Benefits paid	(1)	(84)	(185)	(131)
Expenses Recognised in Statement of Profit and Loss Account				
Current service cost	1	1	38	38
Interest cost on benefit obligation	5	12	38	40
Past Service Cost			28	
Recognised in Other Comprehensive Income				
Actuarial (gain)/loss on obligation	(3)	(30)	(62)	17
Closing defined benefit obligation	**69**	**66**	**502**	**645**

Movement in the fair value of plan assets [₹ in lakh]

Particulars	Pension (Funded)		Gratuity (Funded)	
	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Opening fair value of plan assets	**119**	**199**	**574**	**646**
Contributions by employer	8	11		17
Contributions transfer in	-	-	-	-
Other adjustments			(58)	
Benefits paid	(1)	(84)	(185)	(131)
Expenses Recognised in Profit and Loss Account				
Expected return	8	12	29	42
Recognised in Other Comprehensive Income				
Actuarial (gain) / loss on plan assets	(15)	(19)	(26)	(1)
Closing fair value of plan assets	**112**	**119**	**334**	**574**

Percentage allocation of plan assets by category:

Particulars	Pension (Funded)		Gratuity (Funded)	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
High quality corporate bonds				79%
Bank Balance	56%	68%		21%
Funds managed by Insurer			100%	
Other Investments	43%	32%		
Total	**100%**	**100%**	**100%**	**100%**

Maturity Profile of the DBO and Expected Cashflows in the following period:

Particulars	Pension (Funded)		Gratuity (Funded)	
	31/03/2026	31/03/2025	31/03/2026	31/03/2025
Within next 12 Months	2	2	54	76
Between 1 and 5 years	7	122	310	329
5 years and above	70	62	160	243

Sensitivity Analysis

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

Pension Fund

Assumptions	Pension (Funded)		Gratuity (Funded)	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Impact of the change in discount rate - 1%	(3)	(2)	4	3
Impact of the change in salary increase - 1%	1	0	(0)	0
Impact of the change in Mortality - 1%	(0)	-	0	0

Gratuity [₹ in lakh]

Assumptions	Pension (Funded)		Gratuity (Funded)	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Impact of the change in discount rate - 0.5%	(32)	36	34	37
Impact of the change in salary increase - 0.5%	35	38	(31)	(34)
Impact of the change in Mortality - 5%	4	1	(5)	(2)

The composition of investments in the fair value of plan assets relating to gratuity as given above is relating to employees of Plant -I only. The Gratuity fund relating to Plant - II is being maintained with Life Insurance Corporation of India (LIC) and as per the information provided by LIC the total fair value of plan assets and present value of obligations as on March 31, 2026 were ₹ 7 lakh and ₹ 81 lakh respectively. [March 31, 2025 - ₹ 43 lakh and ₹ 130 lakh]

44 Related Party Disclosures (Ind AS 24):

a) List of Related Parties where control exists:

Name of the Related Partys	Principal Place of Business	Shareholding and Voting Power	
		As at March 31, 2026	As at March 31, 2025
Subsidiary Companies			
a) AMCHEM Speciality Chemicals Private Limited (w.e.f. 1st March, 2016) (AMCHEM, Singapore)	Singapore	100.00%	100.00%
b) Notedome Limited (w.e.f. 1st October, 2016 till 17th November 2025) *	UK	-	100.00%
c) Notedome GmbH (w.e.f. 30th July, 2023 till 17th November 2025) **	UK	-	100.00%
d) Penn-White Limited (w.e.f. 30th November, 2022) *	UK	100.00%	100.00%
e) Manali Speciality Private Limited (w.e.f. 23rd June, 2023)	India	100.00%	100.00%
f) Penn White India Private Limited^ (w.e.f. 8th February, 2024)	India	100.00%	100.00%

* 100% Subsidiary Company of AMCHEM, Singapore
** 100% Subsidiary Company of Notedome Limited, UK
^ 100% Subsidiary Company of Penn White Limited, UK

b) Other Related Parties with whom there were transactions during the year:

Name of the Related Party	Relationship
SIDD Life Sciences Private Limited	Investment Company / Venturer Company
Southern Petrochemical Industries Corporation Limited	Associate Company having significant Influence
Tamilnadu Industrial Development Corporation Limited	Associate Company having significant Influence
Tamilnadu Petroproducts Limited	Joint Venture of the entity to which the company is an Associate
CNGSN & ASSOCIATES LLP	Firm in which a relative of director is a partner (till 12.08.2024)
MPL Employees Superannuation Trust	Post Employment Benefit Plan Entity
MPL Employees Gratuity Fund Trust	Post Employment Benefit Plan Entity
Wilson International Trading Pte Limited	Related Party of Subsidiary Company
AM Foundation	Private Company in which, director and his relative are directors
Mr. Ashwin C Muthiah	Non-Executive, Non-Independent Director of the Company

Name of the Related Party	Relationship
Ms. Sashikala Srikanth	Non-Executive, Independent Director of the Company upto 12.08.2024
Mr. G Chellakrishna	Non-Executive, Independent Director of the Company upto 12.08.2024
Lt. Col. (Retd.) Chatapuram Swaminathan Shankar	Non-Executive, Independent Director of the Company
Mr. Govindarajan Dattatreyan Sharma	Non-Executive, Independent Director of the Company
Mr. Thanjavur Kanakaraj Arun	Non-Executive, Independent Director of the Company
Mr. N Sundaradevan, IAS (Retd.)	Non-Executive, Independent Director of the Company
Ms. Devaki Muthiah Chardon	Non-Executive, Non-Independent Director of the Company
Mr. Hugo Patrice Michel Chardon	Non-Executive, Non-Independent Director of the Company w.e.f 05.02.2025
Ms. Latha Ramanathan	Non-Executive, Independent Director of the Company w.e.f. 05.08.2024
Mr. Anand Raghavan	Non-Executive, Independent Director of the Company w.e.f. 03.10.2025
Mr. Gopala Rammohan Sridhar	Whole-Time Director (Operations) - w.e.f 13.05.2024, from 01.02.2025 - Whole-Time Director (Head of Plant Operations)
Mr. Niranjhan Madras Srinivasan	Non-Executive, Independent Director of the Company w.e.f. 05.02.2025, till 11.08.2025
Mr. Muthukrishnan Ravi	Director of Subsidiary Companies upto 17.11.2025
Mr. R Chandrasekar	Managing Director w.e.f. 13.05.2024 till 01.02.2025. From 01.02.2025, Managing Director & CEO - MPL Group
Mr. R Swaminathan	Company Secretary - up to 06.02.2025
Ms. K Lalitha	Chief Financial Officer - w.e.f 13.05.2024 till 03.10.2025
Ms. Srishti M Bathija	Chief Financial Officer - MPL Group - w.e.f. 03.10.2025
Mr. G Sri Vignesh	Company Secretary - w.e.f. 07.02.2025

c) Transactions with Investing Company, Associate Companies and Other Related parties during the Year:

[₹ in lakh]

Sl. No	Particulars	FY 2025-26	FY 2024-25
1	**Dividend paid**		
	SIDD Life Sciences Private Limited	494	494
	Tamilnadu Industrial Development Corporation Limited	84	84
	Southern Petrochemical Industries Corporation Limited*	0	0
2	**Purchase of Goods**		
	Tamilnadu Petroproducts Limited	2,081	11,747
	Wilson International Trading Pte Limited	3,148	3,349
3	**Purchase of Services**		
	Tamilnadu Petroproducts Limited	15	1
	CNGSN & Associates LLP	-	3

[₹ in lakh]

Sl. No	Particulars	FY 2025-26	FY 2024-25
	Southern Petrochemical Industries Corporation Limited*	0	0
	AMCHEM Speciality Chemicals Private Limited	423	404
4	**Donations**		
	AM Foundation	4	7
5	**Royalty paid**		
	Notedome Limited	-	71
6	**Rendering of services**		
	Tamilnadu Petroproducts Limited	1,051	78
	Penn White India Private Limited*	0	-
7	**Sale of Goods/Assets:**		
	Tamilnadu Petroproducts Limited	268	6,053
	Notedome Limited	-	30
	Southern Petrochemical Industries Corporation Limited	-	1
	Penn White Limited	-	0
	Mr. Muthukrishnan Ravi	-	3
8	**Investment in Wholly Owned Subsidiary****		
	Manali Speciality Private Limited	-	9
9	**Remuneration to Directors and KMPs - Short-term employee benefits**	307	327
10	**Sitting Fees Paid to Director(s)**	65	42
11	**Contributions to Post employment benefit plan trust:**		
	MPL Employees Superannuation Trust	17	35
	MPL Employees Gratuity Fund Trust	-	-
12	**Reimbursement of expenses**		
	AM Foundation	15	6

* less than a lakh

d) Outstanding Balances:

Sl. No.	Particulars	As at March 31, 2026	As at March 31, 2025
1	**Trade Payables**		
	Tamilnadu Petroproducts Limited	205	992
	Notedome Limited	-	15
2	**Other payables**		
	Tamilnadu Petroproducts Limited	69	77
3	**Trade Receivables**		
	Tamilnadu Petroproducts Limited	170	30

Note: The above details of remunerations to Whole Time Director, Chief Financial Officer, Company Secretary and sitting fees to other Non-Executive Directors does not include Post Retirement Benefits.

**** Others:**

The details of date and amount of fund further invested by intermediary to ultimate beneficiaries are as follows:

[₹ in lakh]

Name and Registered Address of the Ultimate Beneficiary	Relationship with Beneficiary	Date of investment	Amount of Investment*
Penn Globe Limited / Penn-White Limited, Unit 6, Aston Way, Midpoint 18 Business Park, Middlewich, Cheshire CW10 0HS	Step-Down Subsidiary	30.11.2022	23,194
		31.07.2024	391

45 Operating Leases (Ind AS 116):

Bulk storage facility at Ennore Port-

The lease is for a period of 15 years from 1st April, 2014 . In the event of premature termination of this agreement prior to the expiry of fifteen year firm period, the Company is liable to make payment of termination compensation as per terms of agreement. The lease agreement provides for an increase in the lease payments by 3% every year.

Corporate Office premises-

The lease has been renewed for a period of 9 years from 1st November 2023. The lease agreement provides for an increase in the lease payments by 15% every 3 years. During the previous year, the lease agreement has been renewed for further period of 9 years at same terms and conditions.

Plant-2 premises-

The lease rent that has been revised has been considered as basis for adopting Ind AS 116 “Leases” with effective from 01.04.2021. Accordingly, the Right of Use Asset value and corresponding lease liability are recognised in the books of accounts. Adjustments, if any necessitated by the actual terms of the renewal would be made to these in due course, on receipt of the same from the Government (Refer note no.: 53).

Lease of land (GIDC)-

During the previous year, the Company has entered into a long term lease agrement for a period of 93 years, for a plot of land at Saykha Village (Gujarat), and IND AS 116 has been adopted for the lease from the date of acquisition.

Sl. No	Particulars	FY 2025-26	FY 2024-25
(a)	Weighted average lessee’s incremental borrowing rate	10.00%	10.00%
(b)	Depreciation charge for the year		
	- Land	176	162
	- Buildings	61	61
	- Plant and Machinery	272	272
(c)	Interest expense on lease liabilities	701	713
(d)	Total cash outflow for Operating leases	882	3,347
(e)	Additions to right-of-use assets	-	2,553
(f)	Carrying amount of right-of-use assets at the end of the reporting period by class of underlying asset		
	- Land	5,576	5,752
	- Buildings	404	466
	- Plant and Machinery	815	1,087
(g)	Payments towards short-term lease expenses	106	110

46 Corporate Social Responsibility

As per Section 135 of the Companies Act 2013, the Company needs to spend 2% of its average net profits of the immediately preceding three financial years on corporate social responsibility (CSR) activities. The Company has incurred CSR expenditure on activities specified in Schedule VII of the Companies Act, 2013 as below:

- Details of the CSR spent or unspent for the financial year [₹ in lakh]

Sl. No	Particulars	FY 2025-26	FY 2024-25
1	Gross amount required to be spent	47	386
2	Total Amount Spent for the Financial Year from FY 2021-22 shortfall	-	32
3	Total Amount Spent for the Financial Year from FY 2022-23 shortfall	77	241
4	Total Amount Spent for the Financial Year from FY 2023-24 shortfall	186	197
5	Total Amount Spent for the Financial Year from FY 2024-25 shortfall	175	169
6	Total Amount Spent for the Financial Year from current year obligation	39	NA
7	Total Amount unspent for the financial year 2025-26	11	-
8	Total Amount unspent for the financial year 2024-25	43	217
9	Total Amount unspent for the financial year 2023-24	78	263
10	Total Amount unspent for the financial year 2022-23	-	68
11	Total Amount unspent for the financial year 2021-22	0	0

- Amount spent during the year on:

	Particulars	FY 2025-26	FY 2024-25
	Construction / acquisition of any property	135	68
	On purpose other than above	342	570

During the financial year, the Company incurred CSR expenditure aggregating to ₹477 lakhs. Of this amount, ₹438 lakhs was utilised out of the unspent CSR amounts lying in the designated Unspent CSR Account(s) in respect of preceding financial years, and ₹39 lakhs was spent against the CSR obligation for the current financial year.

The CSR obligation for the financial year amounted to ₹47 lakhs. In addition, surplus of ₹3 lakhs arising from CSR projects was ploughed back into CSR activities, in accordance with the applicable provisions of the Companies Act, 2013 and the rules made thereunder. Accordingly, the total amount available for utilisation towards CSR activities during the year was ₹50 lakhs.

An amount of ₹11 lakhs relating to ongoing projects remained unspent as at the end of the financial year. Such amount has been transferred to the designated Unspent Corporate Social Responsibility Account within the prescribed timeline and shall be utilised in accordance with the approved implementation schedule for the respective ongoing projects. The CSR expenditure incurred during the year was primarily towards projects relating to the establishment/support of Primary Health Care Centres and sanitation facilities in schools.

47 Research and Development expenditure incurred during the year is given below:

Sl. No.	Particulars	FY 2025-26	FY 2024-25
1	Revenue Expenditure	279	277
2	Capital Expenditure (including capital work-in-progress)	-	-

48 Distribution Made and Proposed (Ind AS 1): [₹ in lakh]

Particulars	FY 2025-26	FY 2024-25
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended on March 31, 2025: ₹ 0.50 per share (March 31 2024: ₹ 0.75 per share)	860	1,290
Total Distribution made	**860**	**1,290**
Proposed Dividend on Equity Shares		
Proposed dividend for the year ended on March 31, 2026: ₹ 0.50 per share (March 31 2025: ₹ 0.50 per share)	860	860
Total Dividend Proposed	**860**	**860**

Proposed dividend on equity shares is subject to approval at the ensuing annual general meeting and not recognised as a liability as at March 31, 2026.

49 Capital Management (Ind AS 1):

The objective of the Company's capital management structure is to ensure sufficient liquidity to support its business and provide adequate return to shareholders. Management monitors the long term cash flow requirements including externally imposed capital requirements of the business in order to assess the requirement for changes to the capital structure to meet the said objective. As part of this monitoring, the management considers the cost of capital and the risks associated with each class of capital and makes adjustments to the capital structure, where appropriate, in light of changes in economic conditions and the risk characteristics of the underlying assets. The funding requirement is met through a combination of equity, internal accruals, borrowings or undertake other restructuring activities as appropriate.

No changes were made in the objectives, policies or processes during the year ended 31 March 2026

The Company's capital and net debt were made up as follows:

Particulars	March 31, 2026	March 31, 2025
Net debt (Long term debt less Cash and Cash equivalent)	-	-
Total equity	97,654	95,055

50 Financial Risk Management Objectives and Policies (IND AS 107):

Financial Risk Management Framework

Company's principal financial liabilities comprise borrowings, trade payables and Other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include Investments, Trade receivables, loans, cash and bank balances and other financial assets.

Risk Exposures and Responses

The Company is exposed to market risk, credit risk and liquidity risk. The Board of Directors reviews policies for managing each of these risks, which are summarised below.

i) Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowing.

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. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term borrowing with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

The Company's exposure to interest rate risk relates primarily to interest bearing financial liabilities. Interest rate risk is managed by the company on an on-going basis with the primary objective of limiting the extent to which interest expense could be affected by an adverse movement in interest rates.

Sensitivity Analysis

An increase/decrease of 100 basis points in interest rate at the end of the reporting period for the variable financial instruments would (decrease)/increase profit after taxation for the year by the amounts shown below. This analysis assumes all other variables remain constant.

[₹ in lakh]

Particulars	Profit / (Loss) after taxation	
	March 31, 2026	March 31, 2025
Financial Liabilities - Borrowings		
+1% (100 basis points)	99	75
-1% (100 basis points)	(99)	(75)
Financial Assets - Loans		
+1% (100 basis points)	0	0
-1% (100 basis points)	(0)	(0)

There are no hedging instruments to mitigate this risk.

Foreign Currency Risk

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the, raw materials and consumables, capital expenditure, exports of Polyols and the Company's net investments in foreign subsidiaries. When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged item, the Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established forex risk management policies and standard operating procedures. It uses derivative instruments forwards contract to hedge exposure to foreign currency risk.

Company's Total Foreign currency exposure:

Particulars	Currency	March 31, 2026		
		Exchange Rate	Amount in Foreign Currency	Amount (₹ in lakhs)
Trade Payables	USD	94.6543	4,792,794	4,537
	March 31, 2025			
Trade Payables	USD	85.5814	2,642,307	2,261
	GBP	110.7389	16,420	18
Trade Receivables	USD	85.5814	1,325	1

Company's Unhedged Foreign currency exposure:

Particulars	Currency	March 31, 2026		
		Exchange Rate	Amount in Foreign Currency	Amount (₹ in lakhs)
Trade Payables	USD	94.6543	39,577	37
	March 31, 2025			
Trade Payables	USD	85.5814	918,503	786
	GBP	110.7389	16,420	18
Trade Receivables	USD	85.5814	1,325	1

Sensitivity

If foreign currency rates had moved as illustrated in the table below, with all other variables held constant, currency fluctuations on unhedged foreign currency denominated financial instruments, post tax profit would have been affected as follows:

Particulars	Profit / (Loss) after taxation	
	March 31, 2026	March 31, 2025
Sensitivity		
INR/USD- increase by 5%	(1)	(29)
INR/USD- decrease by 5%	1	29
INR/GBP- increase by 5%	-	(1)
INR/GBP- decrease by 5%	-	1

Commodity Risk

The Company mainly sources its materials domestically and the exports are not substantial, there has been no major commodity price risks faced. Accordingly, there has been no commodity hedging activities undertaken by the Company. As regards the Foreign exchange risks, the Company takes forward contracts based on the exposure and extant market conditions and details of hedging are available in the standalone financial statements

ii. Credit risk management

Credit risk arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and advance for suppliers) and from its financing/ investing activities, including deposits with banks, mutual fund investments, foreign exchange transactions and financial guarantees.

Trade Receivables:

Trade Receivable consisting of a large number of customers. The Company has credit evaluation policy for each customer and based on the evaluation credit limit of each customer is defined.

Total Trade receivable (Net of provisions) as on March 31, 2026 is ₹ 13,319 Lakhs (March 31, 2025 is ₹ 6,878 Lakhs)

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default in payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk. Historically, probability of default for the company's trade receivables is nil or negligible.

Movement of expected credit loss:

[₹ in lakh]

Particulars	March 31, 2026	March 31, 2025
Opening Provision	28	28
Add: Provided during the year	3	-
Less: Written-back during the year	(7)	-
Closing Provision	24	28

Cash and Cash Equivalents and Bank Deposits:

Credit risk on cash and cash equivalents and balances with Banks is considered to be minimal as the counterparties are all substantial banks and Corporates with high credit ratings. The Directors are unaware of any factors affecting the recoverability of outstanding balances at 31 March 2026.

iii. Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's treasury team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities and investments at the reporting date based on contractual undiscounted payments.

Particulars	At 31 March 2026			
	Up to 1 year	1 to 2 years	2 to 5 years	Total
Cash Credits, Loans and Bills discounted	3,472	690	1,899	6,061
Trade and other payables	14,770	-	69	14,839
Operating Lease Liabilities (Ind AS 116)	532	616	862	2,010
Total	**18,775**	**1,306**	**2,829**	**22,910**

[₹ in lakh]

Particulars	At 31 March 2025			
	Up to 1 year	1 to 2 years	2 to 5 years	Total
Cash Credits, Loans and Bills discounted	2,643	450	1,450	4,543
Trade and other payables	14,311	-	69	14,380
Operating Lease Liabilities (Ind AS 116)	460	532	1,389	2,381
Total	**17,413**	**982**	**2,908**	**21,304**

51 A) Classification of Financial Assets and Liabilities (IND AS 107):

Particulars	As at March 31, 2026	As at March 31, 2025
Financial assets		
Fair Value through Profit and Loss		
Investments	-	-
Fair Value through Other Comprehensive Income		
Equity Shares	625	1,504
Amortised Cost		
Trade receivables	13,319	6,878
Loans	36	33
Cash and cash equivalents	11,966	11,058
Bank Balances	3,682	3,822
Other Financial Assets	1,849	2,601
Total	**31,477**	**25,896**
Financial liabilities		
Amortised Cost		
Borrowings	6,061	4,543
Trade payables	10,069	7,672
Other Financial Liabilities	1,208	2,100
Operating Lease Liabilities (Ind AS 116)	7,170	7,352
Total	**24,508**	**21,667**

B) Fair value measurements (Ind AS 113):

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company has established the following fair value hierarchy that categorises the values into 3 levels.

The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all stocks which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

[₹ in lakh]

Particulars	As at March 31, 2026	As at March 31, 2025
Financial assets at Fair Value Through Profit and Loss		
Investments - Level - 1	-	-
Financial assets at Fair Value Through Other Comprehensive Income		
Investments in Listed Equity Shares - Level - 1	5	2
Investments in Unlisted Equity Shares - Level - 2	620	1,502

Valuation Techniques used to determine the fair value

The significant Inputs used in the fair value measurement categorised within the fair value hierarchy are as shown below:

Nature of Financial Instrument	Valuation Technique	Remarks
Investment in listed equity shares	Market Value	Closing Price as at 31st March in Stock Exchange
Investment in unlisted equity shares	Market Approach	Based on information provided and considering the availability of information in the public domain

52 Additional regulatory Information required under Schedule III of Companies Act 2013

(i) Details of Benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowing secured against current assets

The Company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements filed by the Company with banks and financial institutions are in agreement with the books of accounts.

(iii) Wilful defaulter:

The company has not been declared as Wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Registration of charges:

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(v) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) Utilization of borrowed funds and share premium

During the year, 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 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 provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries. 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 group 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.

(viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous financial year in the tax assessments under the Income Tax Act, 1961, and hence requirement to record in the books of accounts does not arise.

(ix) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) Valuation of PP&E and intangible asset

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous financial year.

(xi) Relationship with struck off companies

The Company has transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956 and below are the disclosure of dealings with struck of companies and its outstanding balances as at 31st March.

[₹ in lakh]

Name of the struck off company	Nature of transactions with struck off company	Relationship with the struck off company	Balance outstanding	
			As at 31.03.2026	As at 31.03.2025
J N Securities Pvt Limited *	Shares held	Shareholder	0.00	0.00
Kothari Intergroup Ltd. *	Shares held	Shareholder	-	0.00
Maineni Securities Limited	Shares held	Shareholder	0.06	0.06
Rahan Finance & Leasing (P) Ltd	Shares held	Shareholder	0.02	0.02
Vaishak Shares Limited *	Shares held	Shareholder	0.00	0.00
Kadsan Securities Pvt. Ltd.	Shares held	Shareholder	0.04	0.04
J N Securities Pvt Limited *	Payment of Dividend	Shareholder	0.00	0.00
Kothari Intergroup Ltd. *	Payment of Dividend	Shareholder	-	0.00
Maineni Securities Limited	Payment of Dividend	Shareholder	0.01	0.01
Rahan Finance & Leasing (P) Ltd *	Payment of Dividend	Shareholder	0.00	0.00
Vaishak Shares Limited *	Payment of Dividend	Shareholder	0.00	0.00
Kadsan Securities Pvt. Ltd.*	Payment of Dividend	Shareholder	0.00	0.01

* Outstanding balance is less than ₹ 1000/-

(xii) Ratio Analysis and its elements

S. No.	Particulars		31-Mar-26	31-Mar-25	% Change	Reason for variance
1	Current ratio = Current Assets /Current Liabilities	Times	2.38	2.42	-1%	
2	Debt- Equity Ratio = Total Debt / Shareholder's Equity	Times	0.06	0.05	30%	Due to increase in the cash credit account during the year.
3	Debt Service Coverage ratio =Earnings for debt service = Net profit after taxes + Non-cash operating expenses / Debt service = Interest & Lease Payments + Principal Repayments	Times	1.59	0.68	136%	Higher profitability in the current year on account of better sales realisation per unit.
4	Return on Equity ratio = Net Profits after taxes – Preference Dividend / Average Shareholder's Equity	%	3.61%	-0.91%	497%	Higher profitability in the current year on account of better sales realisation per unit.
5	Inventory Turnover ratio = Cost of goods sold / Average Inventory	Times	4.39	4.45	-1%	
6	Trade Receivable Turnover Ratio = Net credit sales = Gross credit sales - sales return / Average Trade Receivable	Times	4.88	4.76	3%	
7	Trade Payable Turnover Ratio = Net credit purchases = Gross credit purchases - purchase return / Average Trade Payables	Times	8.12	10.39	-22%	
8	Net Capital Turnover Ratio = Net sales = Total sales - sales return / Working capital = Current assets – Current liabilities	Times	3.02	2.61	16%	
9	Net Profit ratio = Net Profit / Net sales = Total sales - sales return	%	4.43%	-1.36%	426%	Higher profitability in the current year on account of better sales realisation per unit.
10	Return on Capital Employed = Earnings before interest and taxes / Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	%	3.51%	0.27%	1224%	Current year Earnings before Interest and Taxes is increased due to better sales realisation per unit.
11	Return on Investment = Interest (Finance Income) / Investment (Fixed Deposits)	%	6.22%	7.04%	-12%	

53 Note on Leasehold Land

The period of lease relating to the leasehold land expired on June 30, 2017 for which request for renewal for a further period of 30 years has been filed by the Company with Government of Tamil Nadu, which is under process. Pending renewal, lease rent has been paid till 30th June 2026 and has been accepted. The Management is confident that renewal of the lease will be granted as requested, as the land has been put to use for the specific purpose for which it has been allotted and hence no adjustments for impact of non-renewal, (which however is unascertainable at this point in time), are necessary in the Standalone Financial Statements.

The company has adopted Ind AS 116 "Leases" with effective from 01.04.2021 considering that the lease would be renewed and lease rent obligations as per the demand notices received. Accordingly, the Right of Use Asset value and corresponding lease liability are recognised in the books of accounts. Adjustments, if any necessitated by the actual terms of the renewal would be made in due course, on receipt of the same from the Government.

The Auditors have included an Emphasis of Matter on the same in their Audit Report.

54 Note on Cyclone Flood Claim

The Insurance Claims made by the Company towards Loss of Inventories have been crystallized and settled by the Insurers in October 2025. Pursuant to which, the Company has derecognized an amount of ₹ 197 Lakhs pertaining to balance claims receivable (Net of Salvage Value) since the Management does not anticipate any further recoveries out of the Insurance Claims Receivable recognized in the earlier periods. This amount has been shown as an exceptional item in the Standalone Financial Statements.

The claims towards Property, Plant & Equipment are still under consideration and Pending determination of the eligible claims, the cost incurred towards repairs and reinstatement of assets, and derecognition of affected assets, amounting to ₹ 1,180 lakhs is carried as Insurance receivable (net of interim claim received amount ₹ 300 lakhs) as at 31.03.2026, in view of which the impact on the standalone financial statements is unascertainable, accordingly no adjustments have been made in the Standalone Financial Statements in this regard.

The Auditors have included an Emphasis of Matter on the same in their Audit Report.

55 Audit Trail and Daily Backup

The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software and no instance of audit trail feature being tampered with was noted at the application layer with respect to the accounting software. Further, the Audit Trail has been preserved by the Company as per the statutory requirements for record retention.

Daily backup, as per the Companies (Accounts) Fourth Amendment Rules, 2022, a backup of the books of account and papers maintained in electronic mode is being kept on servers physically located in India on a daily basis.

56 Regrouping

Previous year figures have been regrouped, wherever necessary to confirm with the current year's presentation and disclosure.

57 Approval of Standalone Financial Statements

The standalone financial statements of Manali Petrochemicals Limited were reviewed by Audit Committee and approved by the Board of Directors at their respective meeting held on May 21, 2026.

As per our report of even date attached

For **Brahmayya & Co.,** Chartered Accountants Firm Registration No. 000511S	**For and on behalf of the Board of Directors**	
Lokesh Vasudevan Partner Membership No. 222320	**Ashwin C. Muthiah** Chairman (DIN: 00255679)	**R. Chandrasekar** Managing Director & CEO - MPL Group (DIN: 06374821)
Place: Chennai /London Date: May 21, 2026	**Srishti M. Bathija** Chief Financial Officer - MPL Group	**G. Sri Vignesh** Company Secretary

Independent Auditor's Report

To the Members of Manali Petrochemicals Limited

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Manali Petrochemicals Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, including a summary of the material accounting policies and other explanatory information (herein after referred to as "Consolidated Financial Statements").

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 other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), of the consolidated state of affairs of the Group as at 31st March 2026, of its consolidated profit (including other comprehensive income), its consolidated changes in equity and its consolidated cash flows 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 ("SAs") specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we and other auditors, in terms of their reports referred to in "Other Matters" paragraph below, have obtained is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

Emphasis of Matters

i) Attention is invited to Note No. 55 to the Consolidated Financial Statements, which explains that the lease period for the leasehold land on which one of the Holding Company's manufacturing units (Unit-II) operates expired on 30th June 2017. The Holding Company has submitted requests for renewal with the Government of Tamil Nadu (the Lessor) and is currently awaiting an extension of the lease. Pending this renewal, no adjustments have been made in the Consolidated Financial Statements for the year, as any potential impact of non-renewal cannot be determined at this time. Furthermore, the management remains confident that the lease renewal will be granted in due course, based on this, the implementation of Ind AS 116 - Leases has been premised on a lease renewal period of 30 years, with current lease rent payments calculated according to the latest demand up to 30th June 2026.

ii) Attention is invited to Note No. 56 to the Consolidated Financial Statements, which outlines the impact of floods caused by Cyclone Michaung on the production plants. The Holding Company's claim for damages to Property, Plant, and Equipment is currently under assessment by the insurer. Pending this assessment, a sum of ₹ 1,180 Lakhs (net of ₹ 300 lakhs on-account payment received from the insurer) incurred for repairs and reinstatement of property, plant, and equipment, and consequent derecognition of affected assets is treated as insurance claims receivable. Thus, the overall implications that may arise upon the eventual approval of the Holding Company's claim by the insurer are currently unascertainable; hence, no adjustments have been made in the Consolidated Financial Statements.

Our opinion is not modified in respect of the above matters.

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 financial year ended 31st March 2026. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1) Revenue recognition and discounts:

Key Audit Matter	Auditor's Response
Revenue is measured net of discounts given to the customers on the Group's sales. The estimation towards measurement of discounts given to its customers corresponding to the sales made during the year is material and is considered to be complex and judgmental. This is an area of significant judgement and with varying complexity, depending on nature of arrangement which differs from customer to customer. Therefore, there is a risk of revenue being misstated as a result of faulty estimations relating to discounts to its customers	(i) We have assessed the appropriateness of the Group's Revenue recognition accounting policies, including those relating to estimation of discounts given to its customers. (ii) We have tested the effectiveness of the entity's internal controls over calculation of discounts. (iii) We have evaluated the documentation associated with the transactions of sale including credit notes and appropriate approvals for discounts offered to customers from the samples selected, to determine whether revenue was recognised net of discounts in the relevant reporting period. The results of our tests are satisfactory and we considered the estimate of the accrual relating to discounts and the amount of revenue recognised is found to be acceptable on comparing current year discounts accruals to the prior year and, where relevant, completing further inquiries and testing.

2) Evaluation of Contingent Liabilities

Key Audit Matter	Auditor's Response
The Group has contingent liabilities comprising claims against the Group not acknowledged as debts and demands from various statutory authorities which are inherent to the normal course of their business, filed by third parties, former employees, and statutory authorities. In general, the settlement of these proceedings takes a long time and involve not only discussions on the matter itself, but also complex process-related aspects, depending on the applicable legislation. Among other things, the aspects used to establish the likelihood of a loss attributed to each proceeding are subjective and the evolution of the jurisprudence over these disputes are not always uniform. In certain litigation and regulatory matters, significant judgement is required by the Management to determine if there is a present obligation under relevant accounting standards. The complex nature of the Regulations and jurisprudence makes this an ongoing area of judgement, and taking into consideration Management's judgement in assessing the likelihood that the pending claim will succeed, or a liability will arise, the time period for resolution have been matters of significance during the audit, and the exposure of each case; there is a risk that such cases may not be adequately provided for or disclosed in the Consolidated financial statements and hence considered as a key audit matter.	Our audit procedures included the following: (i) We have evaluated and tested the procedures and controls relating to the identification, recognition and measurement of provisions for disputes and disclosures in relation to matters concerning the contingent liabilities; (ii) We have considered the list of various orders/notices/demands received with respect to various litigations from the management; (iii) Reviewed the confirmations obtained by the Company from their legal counsel / consultants on a sample basis and also discussed and analysed material legal cases with the Company's Legal department. We have also analysed the responses obtained from the Company's legal advisors who conduct the court cases, tax and administrative proceedings, in which the status of the legal cases and possible / expected manner of proceeding were described. (iv) We held discussions with the Management to understand their assessment of the quantification and likelihood of significant exposures and the provision required for specific cases; (v) We assessed the objectivity and competence of the management and independence of the legal experts; and (vi) Evaluated the Management's assumptions and estimates relating to the recognition of the provisions for disputes and disclosures of contingent liabilities in the consolidated financial statements. (vii) Assessed the adequacy of the disclosures with regard to facts and circumstances of the legal and litigation matters. Based on the procedures stated above we found that the criteria and assumptions adopted by Management for determining the provision for contingent liabilities, as well as the information disclosed relating to contingent liabilities in the consolidated financial statements, are appropriate.

3) Valuation of Goodwill on Consolidation:

Key Audit Matter	Auditor's Response
As at 31st March 2026, the Group's assets include goodwill aggregating to ₹ 20,182 Lakhs arising on acquisition of the business of Penn-White Limited, which is engaged in the business of Petrochemicals. Goodwill is carried at cost and is tested for impairment, if any, in accordance with Ind AS 36 "Impairment of Assets". However, there is a potential risk that the goodwill will be impaired if assumptions for the projected cash flows are not met. Changes in these assumptions could lead to an impairment to the carrying value of the goodwill. We identified this as a key audit matter for the current year audit of the Consolidated Financial Statements owing to the materiality of the amounts involved and inherent subjectivity involved in the determination of the recoverable value through estimation of future cash flows.	Our audit procedures in relation to testing of impairment of goodwill are as follows: (i) We have assessed and tested the design and operating effectiveness of the Company's controls over recognition of the impairment assessment process. (ii) We have obtained the impairment analyses and tested the appropriateness of the impairment model and reasonableness of the key assumptions used. (iii) We have compared the prior year budgets with the actual results to determine the efficacy of the management's budgeting process. (iv) Obtained and evaluated sensitivity analysis performed by the Management on aforesaid key assumptions (v) Assessed the appropriateness and adequacy of the related disclosures in the consolidated financial statements in accordance with the applicable Indian Accounting Standards. (vi) We considered the work performed by the component auditors during their audit of the financial statements of the intermediary parent company, AMCHEM Speciality Chemicals Private Limited, Singapore Based on the procedures stated above, we found Management's key assumptions to be reasonable in determining the carrying value of the goodwill.

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the Consolidated Financial Statements and our Auditors' Report thereon. The above reports are expected to be made available to us after the date of the auditor's report, thus, our report does not deal with matters mentioned under other information in the Annual Report.

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the above reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards 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 of 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group 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.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group 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 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 auditors' 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 auditors' 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 the Holding Company of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by 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 Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of utmost significance in the audit of the Consolidated Financial Statements of the financial year ended 31st March, 2026 and are therefore the Key Audit Matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the Financial Statements and other financial information of the two subsidiaries located outside India and two subsidiaries incorporated in India included in the Consolidated Financial Statements, whose Financial Statements reflect total assets of ₹ 87,360 Lakhs (before consolidation adjustments) as at 31st March 2026, total revenues (including other income) of ₹ 30,588 Lakhs (before consolidation adjustments), net profit after tax and total comprehensive income of ₹ 13,797 Lakhs (before consolidation adjustments) and net cash flows of ₹ 20,098 Lakhs for the year ended on that date as considered in the Consolidated Financial Statements. The Financial Statements and other financial information of these subsidiaries have been audited by the 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 subsidiaries is based solely on the reports of the other auditors.

The financial statements and other financial information of these two foreign subsidiaries have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion insofar as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors, and the conversion adjustments prepared by the management of the Holding Company are audited by us.

We did not audit the Financial Statements and other financial information of the two subsidiaries located outside India included in the Consolidated Financial Statements, whose financial information reflect total assets of ₹ Nil Lakhs as at 31st March 2026, total revenue of ₹ 7,212 Lakhs, total net profit after tax and total comprehensive income of ₹ 1,554 Lakhs and Group's share of net cash flows of ₹ 2,746 Lakhs for the year ended on that date as considered in the Consolidated Financial Statements. The Financial Statements and other financial information of these two subsidiaries have not been audited by their auditors, and unaudited financial statements 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 subsidiaries, is based solely on such unaudited financial statements. In our opinion, and according to the information and explanations given to us by the Board of Directors/Management, these financial statements are not material to the Group.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors and financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiaries incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure A" a statement on the matters specified in paragraph 3(xxi) and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'Other Matter' paragraph, we report, to the extent applicable.
   a) We / the other auditors whose report we have relied upon 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 Holding Company so far as it appears from our examination of those books and the reports of the other auditors.
   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement

of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

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

e) On the basis of the written representations received from the directors of the Holding Company as on 31st March 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries, none of the directors of the Group companies incorporated in India, are disqualified as on 31st March 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to the Consolidated Financial Statements and the operating effectiveness of such controls of the Holding Company and its subsidiaries incorporated in India, refer to our separate Report in "Annexure B" to this report.

3. 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 and based on the consideration of the report of other statutory auditors on separate financial statements and also the other financial information of the subsidiaries as noted in the "Other Matter" paragraph:

i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the group. Refer to Note No. 42(i) 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 no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India during the year ended 31st March 2026

iv. (a) The respective management of the Holding Company and its subsidiaries incorporated in India and whose financial statements have been audited under the Act have represented to us and other auditors of subsidiaries that, to the best of its knowledge and belief, other than those disclosed in Note No 54(vii), no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or such subsidiaries to or in any other persons or entities, 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 respective Holding Company or such subsidiaries (("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective management of the Holding Company and its subsidiaries incorporated in India and whose financial statements have been audited under the Act have represented to us and other auditors of subsidiaries that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or such subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or 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 and

(c) Based on such audit procedures as considered reasonable and appropriate in the circumstances and appropriate performed by us and that performed by the auditors of the subsidiaries, which are incorporated in India whose financial statements have been audited under the Act, nothing has come to our 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 (iv)(a) and (iv)(b) contain any material misstatement.

v. The final dividend declared and paid by the Holding Company during the year in respect of the dividend proposed for the previous year is in accordance with the provisions of Section 123 of the Act.

The Board of Directors of the Holding Company have proposed a final dividend for the year, which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, the Holding Company and subsidiaries have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and the respective auditors of the above-referred subsidiaries and we did not come across any instance of the audit trail feature being tampered with in respect of the accounting software, and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

4. With respect to the matter to be included in the Auditors' report under Section 197(16):

In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, incorporated in India, the managerial remuneration for the year ended 31st March 2026 has been paid/provided by the Holding Company and its subsidiaries incorporated in India to their directors in accordance with the provisions of Section 197 read with Schedule V to the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197(16), which is required to be commented upon by us

For **Brahmayya & Co.,**
Chartered Accountants
FRN: 000511S

Lokesh Vasudevan
Partner
Membership No: 222320
UDIN: 26222320ZGUUSU1345

Place: Chennai
Date: 21st May 2026

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The **"Annexure A"** referred to in Clause 1 of "**Report on Other Legal and Regulatory Requirements**" Paragraph of the Independent Auditor's Report of even date to the members of **Manali Petrochemicals Limited** on the Consolidated Financial Statements as on and for the year ended 31st March 2026.

In terms of the information and explanations sought by us and given by the Group 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:

(xxi) On the basis of reports of the statutory auditors of its subsidiaries incorporated in India taken on record, except for the below, no qualifications or adverse remarks have been provided by respective auditors in the CARO 2020 of respective companies for the year ended 31st March 2026

S. No.	Name & CIN	Holding Company/ Subsidiary/ Joint Venture/ Associate	Clause Number of CARO Report which is which is qualified or adverse
1	Pennwhite India Private Limited (U20299TN2024PTC167348)	Wholly Owned Subsidiary	Clause (xvi) – Cash Losses

For **Brahmayya & Co.,**
Chartered Accountants
FRN: 000511S

Lokesh Vasudevan
Partner
Membership No: 222320
UDIN: 26222320ZGUUSU1345

Place: Chennai
Date: 21st May 2026

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

The **Annexure B**, referred to in the Clause 2(f) of **"Report on other Legal and Regulatory Requirements"** Paragraph of the Independent Auditor's Report of even date to the members of **Manali Petrochemicals Limited** on the Consolidated Financial Statements as of and for the year ended 31st March 2026.

Report on the Internal Financial Controls with reference to the 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 Financial Statements of the Group as of and for the year ended 31st March 2026, we have audited the internal financial controls with reference to Consolidated Financial Statements of Manali Petrochemicals Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which are incorporated in India, as of that date (together referred to as the "Covered Entities" in this report). Refer Annexure C for the list of Covered Entities.

Management's Responsibility for Internal Financial Controls

The respective Management of the Holding Company, its Subsidiaries which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting" 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 ("the Guidance Note") 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 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to the Consolidated Financial Statements of the company and its subsidiaries incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to 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 judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the Consolidated Financial Statements

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial controls with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls 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 Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated 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 controls 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 and to the best of our information and according to the explanation given to us, the Holding Company and its subsidiaries incorporated in India have, maintained 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 31st March 2026, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

Our 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, in so far as it relates to the two subsidiaries incorporated in India as listed in covered entities Annexure C, is based on the corresponding reports of the auditors of such Companies.

For **Brahmayya & Co.,**
Chartered Accountants
FRN: 000511S

Lokesh Vasudevan
Partner
Membership No: 222320
UDIN: 26222320ZGUUSU1345

Place: Chennai
Date: 21st May 2026

ANNEXURE-C

Covered Entities

Sl No.	Name of the Company	Relationship
1	Manali Petrochemicals Limited	Holding Company
2	Manali Speciality Private Limited	Wholly Owned Subsidiary
3	Pennwhite India Private Limited	Wholly Owned Stepdown Subsidiary

Consolidated Balance Sheet as at March 31, 2026

[₹ in lakh]

Particulars				Note No.	As at March 31, 2026	As at March 31, 2025
A.	**ASSETS**					
I	**Non-Current Assets**					
	a)	Property, Plant and Equipment		3A	**29,006**	22,811
	b)	Capital work-in-progress		3B	**3,892**	6,075
	c)	Goodwill on Consolidation		3E	**20,182**	28,219
	d)	Other Intangible Assets		3F	**198**	240
	e)	Intangible assets under development		3C	**11**	-
	f)	Right of Use Assets		3D	**7,416**	8,284
	g)	Financial Assets:				
		i)	Investments	4	**625**	1,505
		ii)	Other Financial Assets	5	**658**	719
	h)	Other non-current assets		6	**2,117**	3,236
		TOTAL NON-CURRENT ASSETS			**64,105**	71,089
II		**Current Assets**				
	a)	Inventories		7	**15,355**	19,560
	b)	Financial Assets:				
		i)	Trade Receivables	8	**16,828**	11,695
		ii)	Cash and Cash equivalents	9	**37,222**	18,987
		iii)	Bank balances other than (ii) above	10	**23,309**	14,292
		iv)	Loans	11	**36**	34
		v)	Other Financial Assets	12	**1,491**	2,080
	c)	Other Current assets		13	**1,248**	2,514
		TOTAL CURRENT ASSETS			**95,489**	69,162
		TOTAL ASSETS			**1,59,594**	1,40,251
B.	**EQUITY AND LIABILITIES**					
I	**Equity**					
	a)	Equity share capital		14	**8,603**	8,603
	b)	Other Equity			**1,19,543**	1,00,842
		TOTAL-EQUITY			**1,28,146**	1,09,445
II	**Liabilities**					
II. A	**Non-Current Liabilities**					
	a)	Financial Liabilities				
		i)	Long-Term Lease Liabilities	15	**6,870**	7,503
		ii)	Long-Term Borrowings	16	**2,589**	1,900
		iii)	Other Financial Liabilities	17	**63**	57
	b)	Provisions		18	**157**	79
	c)	Deferred Tax Liabilities (net)		19	**351**	114
	d)	Other non-current Liabilities		20	**232**	268
		TOTAL NON-CURRENT LIABILITIES			**10,262**	9,921
II. B	**Current Liabilities**					
	a)	Financial Liabilities				
		i)	Borrowings	21	**3,257**	2,642
		ii)	Short-Term Lease Liabilities	22	**984**	869
		iii)	Trade Payables			
			1 Total outstanding dues of Micro Enterprises and Small Enterprises		**279**	235
			2 Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	23	**11,016**	9,681
		iv)	Other financial liabilities	24	**1,148**	2,103
	b)	Other current liabilities		25	**1,699**	2,256
	c)	Provisions		26	**1,959**	2,562
	d)	Current Tax Liabilities (Net)		27	**844**	537
		TOTAL CURRENT LIABILITIES			**21,186**	20,885
		TOTAL LIABILITIES			**31,448**	30,806
		TOTAL EQUITY AND LIABILITIES			**1,59,594**	1,40,251
Summary of Material Accounting Policies				1-2		

The accompanying note form an integral part of the Consolidated Financial Statements

As per our report of even date attached

For **Brahmayya & Co.,**
Chartered Accountants
Firm Registration No. 000511S

For and on behalf of the Board of Directors

Lokesh Vasudevan
Partner
Membership No. 222320

Ashwin C. Muthiah
Chairman
(DIN: 00255679)

R. Chandrasekar
Managing Director & CEO - MPL Group
(DIN: 06374821)

Place: Chennai / London
Date: May 21, 2026

Srishti M. Bathija
Chief Financial Officer - MPL Group

G. Sri Vignesh
Company Secretary

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

[₹ in lakh]

	Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
1	**Revenue from Operations**	28	**1,02,239**	89,712
2	**Other Income**	29	**4,746**	2,451
3	**Total Income [1+2]**		**1,06,985**	92,163
4	**Expenses**			
	a) Cost of materials consumed	30	**54,346**	65,195
	b) Purchase of stock in trade	31	**6,532**	-
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	32	**7,667**	(7,267)
	d) Employee benefits expense	33	**7,234**	7,447
	e) Finance costs	34	**1,355**	1,045
	f) Depreciation & Amortisation expense	35	**3,380**	2,709
	g) Power, Fuel & Water Expense	36	**9,301**	9,750
	h) Other expenses	37	**8,955**	8,758
	Total Expenses (4)		**98,770**	87,637
5	**Profit Before Exceptional items and Tax [3-4]**		**8,215**	4,526
6	**Exceptional Items**	40	**6,830**	(321)
7	**Profit Before Tax [5+6]**		**15,045**	4,205
8	**Tax Expenses**			
	a) Current Tax	38	**1,895**	1,377
	b) Short/(Excess) Provision for tax relating to prior years		**(82)**	5
	c) Deferred Tax		**237**	(108)
	Total Tax Expenses [a+b+c]		**2,050**	1,274
9	**Profit for the period [7-8]**		**12,995**	2,931
10	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or (loss)			
	Changes in Fair Value of Equity Investments		**2**	(1)
	Remeasurement Cost of net defined employee benefits	33	**(23)**	(17)
	Income Tax relating to items that will not be re-classified to Profit or Loss		**5**	5
	Items that will be reclassified to profit or (loss)			
	Changes in Foreign Currency Translation		**6,582**	1,649
11	**Total Comprehensive Income for the period [9+10]**		**19,561**	4,567
12	**Earnings per equity share**	39		
	a) Basic (in ₹)		**7.56**	1.70
	b) Diluted (in ₹)		**7.56**	1.70

Summary of Material Accounting Policies 1-2

The accompanying note form an integral part of the Consolidated Financial Statements

As per our report of even date attached

For **Brahmayya & Co.,**
Chartered Accountants
Firm Registration No. 000511S

For and on behalf of the Board of Directors

Lokesh Vasudevan
Partner
Membership No. 222320

Ashwin C. Muthiah
Chairman
(DIN: 00255679)

R. Chandrasekar
Managing Director & CEO - MPL Group
(DIN: 06374821)

Place: Chennai / London
Date: May 21, 2026

Srishti M. Bathija
Chief Financial Officer - MPL Group

G. Sri Vignesh
Company Secretary

Consolidated Statement of Changes in Equity

A. Equity Share Capital

[₹ in lakh]

For the year ended March 31, 2026				
Balance as at April 01, 2025	**Changes in equity share capital due to prior period errors**	**Restated balance at the beginning of financial year**	**Changes in Equity Share Capital during the year**	**Balance as at March 31, 2026**
8,603	**-**	**8,603**		**8,603**

For the year ended March 31, 2025				
Balance as at April 01, 2024	**Changes in equity share capital due to prior period errors**	**Restated balance at the beginning of financial year**	**Changes in Equity Share Capital during the year**	**Balance as at March 31, 2025**
8,603	**-**	**8,603**	**-**	**8,603**

B. Other Equity

Statement of changes in Other Equity (2025-26)

Particulars	Reserves and Surplus				Equity Instruments through Other Comprehensive Income	Other Items of Other Comprehensive Income*	Foreign Exchange Translation Reserve	Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings				
Balance at the beginning of reporting Period (01.04.2025)	84	91	109	96,058	3	(48)	4,544	**100,842**
Total Comprehensive Income	-	-	-	12,995	2	(18)	6,582	**19,561**
Dividend paid during the year	-	-	-	(860)	-	-	-	**(860)**
Balance at the end of reporting Period (31.03.2026)	**84**	**91**	**109**	**1,08,194**	**5**	**(66)**	**11,126**	**119,543**

Statement of changes in Other Equity (2024-25)

Particulars	Reserves and Surplus				Equity Instruments through Other Comprehensive Income	Other Items of Other Comprehensive Income *	Foreign Exchange Translation Reserve	Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings				
Balance at the beginning of reporting Period (01.04.2024)	84	91	109	94,418	4	(36)	2,896	**97,567**
Total Comprehensive Income	-	-	-	2,931	(1)	(12)	1,649	**4,566**
Dividend paid during the year	-	-	-	(1,291)	-	-	**-**	**(1,291)**
Balance at the end of reporting Period (31.03.2025)	**84**	**91**	**109**	**96,058**	**3**	**(48)**	**4,544**	**100,842**

* It represents value of Remeasurement Cost of net defined employee benefits obligations net of Income Tax on the same

As per our report of even date attached

For **Brahmayya & Co.,**
Chartered Accountants
Firm Registration No. 000511S

Lokesh Vasudevan
Partner
Membership No. 222320

Place: Chennai / London
Date: May 21, 2026

For and on behalf of the Board of Directors

Ashwin C. Muthiah
Chairman
(DIN: 00255679)

R. Chandrasekar
Managing Director & CEO - MPL Group
(DIN: 06374821)

Srishti M. Bathija
Chief Financial Officer - MPL Group

G. Sri Vignesh
Company Secretary

Consolidated Statement of Cash Flows for the year ended March 31, 2026

[₹ in lakh]

	Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit before Tax		**15,045**		4,205
	Adjustments for				
	Depreciation and Amortisation	**3,380**		2,709	
	Provision for Diminution in Value of Inventory	**-**		279	
	Provisions no longer required written back	**(1,861)**		-	
	Dividend income	**(0)**		(0)	
	Finance costs	**1,355**		1,045	
	Remeasurement Cost of net defined employee benefits	**(23)**		(17)	
	Interest income	**(1,648)**		(1,946)	
	Provision for doubtful debts	**3**		8	
	Profit on sale of investment	**(5,216)**		(18)	
	Net unrealised exchange (gain) / loss	**(367)**		103	
	Profit on sale of assets	**(46)**			
	Loss on sale / write-off of assets	**262**		18	
	Net Adjustments		**(4,160)**		2,181
	Operating Profit		**10,885**		6,386
	Changes in Working Capital				
	Adjustments for (increase) / decrease in operating assets				
	Inventories	**4,205**		(8,995)	
	Trade Receivables	**(5,129)**		399	
	Other Financial Assets	**565**		(1,496)	
	Other Current Assets	**1,266**		(826)	
	Other Non-Current Assets	**210**		18	
	Adjustments for increase / (decrease) in operating liabilities				
	Trade payables	**1,746**		3,892	
	Other financial liabilities	**(955)**		348	
	Other Current liabilities	**124**		(10)	
	Short-term provisions	**480**		369	
	Lease Liabilities - Ind AS 116	**(518)**		566	
	Other non current Liabilities	**(31)**		(21)	
	Long-term provisions	**78**		(273)	
	Net Adjustments		**2,042**		(6,029)
	Net income tax paid		**(1,294)**		(2,256)
	Net cash from / (used in) Operating activities [A]		**11,633**		(1,899)
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Capital expenditure on Property, Plant & Equipments, including capital advances		**(6,859)**		(10,072)
	Proceeds from sale of PPE		**113**		3
	Net proceeds from Investments in Equity shares		**882**		(1,146)
	Interest income		**1,534**		2,095
	Dividend income		**0**		-
	Investments in Mutual Funds		**-**		2,535
	Net Cash received from buyers / (paid to sellers)		**20,860**		(456)
	Bank balances not considered as cash and cash equivalents		**(9,017)**		(8,435)
	Net cash from / (used in) Investing activities [B]		**7,513**		(15,476)

[₹ in lakh]

	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	(Repayment) / Proceeds from Short-term and Long-term borrowings	**1,304**	2,313
	Interest paid	**(1,355)**	(1,045)
	Dividend paid	**(860)**	(1,291)
	Net cash from / (used in) Financing Activities [C]	**(912)**	(23)
	Net (decrease) / increase in cash and cash equivalents = (A+B+C)	**18,234**	(17,398)
	Cash and cash equivalents at the beginning of the period	**18,987**	36,385
	Cash and cash equivalents at the end of the period	**37,222**	18,987

Components of Cash & Cash Equivalents:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash and Cash Equivalents (Note: 9)		
Cash on hand	**2**	2
Balance(s) In current accounts (including debit balance(s) in cash credit)	**6,280**	7,222
Balances in Fixed deposit original maturity period less than 3 months	**30,940**	11,763
Total Cash and Cash Equivalents	**37,222**	18,987

Reconciliation between opening and closing balances in the balance sheet for liabilities and financial assets arising from financing activities:

Particulars	As at March 31, 2025	Cash Flows	Fair Value Changes	As at March 31, 2026
Short term Borrowings	2,642	615	-	3,257
Long term Borrowings	1,900	689		2,589
Total Liabilities from Financing Activities	**4,542**	**1,304**	**-**	**5,846**

As per our report of even date attached

For **Brahmayya & Co.,**
Chartered Accountants
Firm Registration No. 000511S

Lokesh Vasudevan
Partner
Membership No. 222320

Place: Chennai / London
Date: May 21, 2026

For and on behalf of the Board of Directors

Ashwin C. Muthiah
Chairman
(DIN: 00255679)

R. Chandrasekar
Managing Director & CEO - MPL Group
(DIN: 06374821)

Srishti M. Bathija
Chief Financial Officer - MPL Group

G. Sri Vignesh
Company Secretary

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

1. GENERAL INFORMATION

Manali Petrochemicals Limited (the 'Holding Company') is a Public Company incorporated on June 11, 1986 in the State of Tamilnadu, India. The Holding Company is engaged in the manufacture and sale of Propylene Oxide (PO), Propylene Glycol (PG) and Polyols (PY), which are used as industrial raw materials.

2. MATERIAL ACCOUNTING POLICIES

2.1 PRINCIPLES OF CONSOLIDATION

The consolidated financial statements relate to Manali Petrochemicals Limited (the ' Holding Company') and AMCHEM Speciality Chemicals Private Limited, Singapore, Notedome Limited, UK (till November 17 2025), Penn-White Limited, UK, Notedome Europe GmbH, Germany (till November 17 2025), Pennwhite India Private Limited, India and Manali Speciality Private Limited, India, all are wholly owned subsidiaries of the Holding Company. The Holding Company and its subsidiaries hereinafter referred to as "Group". The consolidated financial statements have been prepared on the following basis:

(i) The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as that of the Holding Company i.e., 31 March, 2026.

(ii) The financial statements of the Holding Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.

(iii) The excess of cost to the Group of its investments in the subsidiary companies over its share of equity of the subsidiary company, at the date on which the investments in the subsidiary company was made, is recognised as 'Goodwill' being an asset in the consolidated financial statements.

(iv) Goodwill arising on consolidation is not amortised but tested for impairment.

(v) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

2.2. Statement of Compliance

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with prescribed rules therein as amended from time to time.

The Group has uniformly applied the accounting policies during the periods presented.

2.3. Basis of Preparation and Presentation

2.3. (a) Historical cost conversion

The consolidated financial statements of the group have been prepared on accrual basis under the historical cost convention except for certain financial instruments that are measured at fair values at the end of each reporting period and Employee defined benefit plan as per actuarial valuation, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in the exchange of goods and services.

Fair value is the price that would be received on sale of 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 in a reasonable and prudent manner. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or a liability if market participants would have those characteristics into account when pricing the asset or a liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized 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 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 a liability.

The principal accounting policies are set out below:

2.3 (b) Current / Non – Current Classification

Any asset or liability is satisfied as current if it satisfies any of the following conditions:

Asset / Liability is expected to be realised/settled in the Company's normal operating cycle

1. Asset is intended for sale or consumption
2. Asset / Liability is held primarily for the purpose of trading
3. Asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date
4. In case of a Liability, the Company does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting date.

For the purpose of this classification, the Company has ascertained its normal operating cycle as twelve months, which is based on the nature of business and time between acquisition of assets and their realisation in cash and cash equivalents.

2.4. Revenue Recognition:

The Group derives revenues primarily from the business of sale of petrochemicals. The Group recognizes revenue from contracts with customers based on a five-step model, such as identifying the contracts with a customer, identifying the performance obligations in the contract, determining the transaction price, allocating the transaction price to the performance obligations in the contract and recognize revenue when (or as) the entity satisfies a performance obligation at a point in time or over time.

The Group satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Company performs; or
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Group's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date

For performance obligations where one of the above conditions is not met, revenue is recognized at the point in time at which the performance obligation is satisfied. Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

2.4. (a) Sale of goods

Sales are recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to the customers.

2.4. (b) Income from services

Revenues from contracts priced on a time and material basis are recognized when services are rendered and related costs are incurred

2.4. (c) Export Incentive

Export benefits in the nature of focus market scheme are accrued in the year of exports based on the eligibility taking into consideration the prevailing regulations/policies and when there is no uncertainty in receiving the same. Adjustments, if any, to the amounts recognized in accordance with this accounting policy, based on final determination by the authorities, would be dealt with appropriately in the year of final determination and acceptance

2.4. (d) Other Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Entity 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 for when the right to receive income is established.

2.5. Leases:

The Group assesses at contract inception whether a contract is or contains, a lease, i.e., if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for its use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term or the estimated useful lives of the assets, as follows:

- Plant and machinery
- Buildings
- Land

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit and loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned."

2.6. Government Grants:

Government grants are recognised in Statement of Profit and Loss on a systematic basis over the periods in which the Group recognises the related costs for which the grants are intended to compensate.

Government grants that are receivable towards capital investments under State Investments Promotion Scheme are recognised in the Statement of Profit and Loss in the period in which they become receivable.

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

2.7. Functional and presentation currency:

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates. The consolidated financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Holding Company.

2.8. Foreign currency transactions:

In preparing the consolidated financial statements of the Group, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in statement of profit and loss in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks.

2.9. Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

2.10. Employee benefits

Employee benefits include provident fund, Superannuation Scheme, employee state insurance scheme, gratuity fund and compensated absences.

2.10. (a) Defined Contribution Plans

The Group's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are recognized as an expense when employees have rendered service entitling them to the contributions.

Define Contribution Plan for Superannuation scheme of officers and the staff of the Plant I and II is administered by the Life Insurance Corporation of India. Contributions are made monthly at a predetermined rate to the Trust and debited to the Statement of Profit & Loss on an accrual basis.

2.10. (b) Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out by an independent actuary at the end of each reporting period. 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
- Re-measurement

The Group presents defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Curtailment gains and losses are accounted for as past service costs. Past service cost is recognized in profit or loss in the period of a plan amendment.

2.10. (c) Short-term employee benefits:

Short term employee benefits including accumulated compensated absences as at the Balance Sheet date are recognised as an expense as per Group's schemes based on expected obligation on an undiscounted basis.

2.10. (d) Other long-term employee benefits:

Other Long term employee benefit comprise of leave encashment which is provided for based on the actuarial valuation carried out as at the end of the year.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

2.11. Earnings per share:

Basic earnings per share is computed by dividing the net 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 net 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.

2.12. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax is determined as the amount of tax payable in respect of taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961. The Holding Company has exercised irrevocable option under section 115BAA (applicable tax rate is 25.168%).

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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 realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax for the year

Current and deferred tax are recognized in 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 current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.13 Property, Plant and Equipment

Property, plant and equipment are stated in the Balance Sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price, attributable expenditure incurred in bringing the asset to its working condition for the intended use and cost of borrowing till the date of capitalisation in the case of assets involving material investment and substantial lead time. Fixed assets individually costing Rs.10,000 or less is depreciated in full in the year of addition.

Componentization:

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Expenditure during the Construction period:

Expenditure/Income during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other non-current Assets".

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets in whose case the life of certain assets has been assessed based on technical advice taking into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, maintenance support etc.

i) Certain Plant and Machinery – 11 to 33 years
ii) Computers and Computer Software – 5 years
iii) Certain Plant and Machinery – 1 to 10 years
iv) Certain Buildings and Roads – 5 to 15 years
v) Certain Vehicles – 8 to 10 years
vi) Certain Office Equipment – 1 to 10 years
vii) Certain Furniture and Fixtures – 1 to 10 years
viii) Technical Know-how – 1 to 4 years

An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

2.14. Intangible Assets & Amortization:

Initial Recognition

Intangible assets acquired separately are initially measured at cost. Intangible assets are recognized if and only if, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. Cost of separately acquired intangible asset includes its purchase price (after deducting trade discounts and rebates), import duties & non-refundable purchase taxes, any costs directly attributable to preparing the asset for its intended use. Intangible assets acquired in a business combination are recognized at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

Subsequent measurement and amortization

Intangible assets are stated at cost of acquisition less accumulated amortization and accumulated impairment losses, if any. Subsequent expenditure related to an item of intangible assets are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. The carrying values of intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The residual values, estimated useful lives and amortization method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortized on a straight-line basis over the period of their estimated useful lives. Estimated useful lives by major class of finite-life intangible assets are as follows:

Intangible Assets	Method of Amortization	Estimated Useful life
Computer Software	On Straight-line basis	Over a period of 3 to 5 years

The amortization expense is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. Indefinite-life intangible assets comprises of those assets for which there is no foreseeable limit to the period over which they are expected to generate net cash inflows. These are considered to have an indefinite life, given the strength and durability of the Company and the level of marketing support

De-recognition:

An item of Intangible Assets is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de recognition of the asset is recognized in the profit or loss in the year the asset is derecognized. For indefinite life intangible assets, the assessment of indefinite life is reviewed annually to determine whether it continues, if not, it is impaired or changed prospectively based on revised estimates

2.15. Cash and Cash Equivalents:

Cash and cash equivalents comprises cash at bank (including deposits with banks with original maturity of three months or less) and cash in hand and short-term investments with an original maturity of three months or less. Deposits with banks are subsequently measured at amortized cost and short-term investments are measured at fair value through the Statement of profit and loss.

2.16. Non-current Assets held for sale:

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all the following criteria are met:

1. decision has been made to sell,
2. the assets are available for immediate sale in its present condition,
3. the assets are being actively marketed and
4. sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as 'held for sale' are measured at the lower of their carrying value and fair value less costs to sell. Non-current assets held for sale are no longer depreciated or amortized.

2.17. Impairment of Non – Financial Assets:

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount. Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

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. Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of Profit and Loss, except for properties previously revalued with the revaluation surplus taken to Other Comprehensive Income ("OCI"). For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation surplus. After impairment, depreciation or amortization is provided on the revised carrying amount of the asset over its remaining useful life.

The impairment assessment for all assets is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of Profit and Loss.

2.18. Share Capital:

Equity Shares are classified as equity.

2.19. Segment Reporting:

Operating segments are identified and reported in a manner consistent with the internal financial reporting provided to the chief operating decision makers, responsible for allocating resources and assessing performance of the operating segments.

2.20. Events after reporting date:

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the Consolidated Financial Statements. Non-adjusting events after the Balance Sheet date which are material size or nature are disclosed separately in the Consolidated Financial Statements.

2.21. Inventories:

Stores and spares, packing materials, fuels, raw materials and finished goods are valued at lower of cost or net realizable value. Net realizable value represents the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale.

The method of determination of cost of various categories of inventories is as follows:

1. Raw material, Stores and spares and packing materials – Weighted average cost.
2. Finished goods and Work-in-process – Weighted average cost of production which comprises of direct material costs, direct wages and applicable overheads.
3. Stock-in-trade – Weighted average cost

2.22. Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised only when there is a present obligation as a result of past events and when a reasonable estimate of the amount of obligation can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liabilities are disclosed for (i) possible obligation 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. Contingent assets are neither recognised nor disclosed in the consolidated financial statements.

2.23. 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. 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 or 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 or loss are recognised immediately in profit or loss.

2.24. Financial assets:

All regular purchases or sales of financial assets are recognised and derecognized 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 amortized 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 amortized 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.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed off, the cumulative gain or loss previously accumulated in this reserve is reclassified to retained earnings.

All other financial assets are subsequently measured at fair value.

2.25. Effective interest method:

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. 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) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item."

2.26. Investments in equity instruments at FVTOCI

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, including that of the subsidiaries. This election is not permitted if the equity investment is held for trading. These elected investments 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 recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

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; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Dividends on these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in profit or loss are included in the 'Other income' line item.

2.27. Financial assets at fair value through profit or loss (FVTPL):

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency 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 instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

2.28. Impairment of financial assets:

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The group recognizes a loss allowance for the expected credit losses on financial asset. In case of trade receivables, the company follows the simplified approach permitted by Ind AS 109 – Financial instruments for recognition of impairment loss allowance. The application of simplified approach does not require the group to track changes in credit risk. The company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

2.29. De-recognition of financial assets:

The Group de-recognises a financial asset 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 party. 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 collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety, the Group allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

2.30. Offsetting of Financial Instruments:

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and liability simultaneously.

2.31. Foreign exchange gains and losses:

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.

For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognized in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

2.32. 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.

Financial liabilities

All financial liabilities are subsequently measured 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, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate 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 either contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred 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; or
- it is a derivative that is not designated and effective as a hedging instrument.

  A financial liability other than a financial liability held for trading or contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies, 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;
- the financial liability forms part of 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; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement 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.

However, for non-held-for-trading 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, in which case these effects of changes in credit risk are recognised in profit or loss.

The remaining amount of change in the fair value of liability is always 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 reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Group that are designated by the Group as at fair value through profit or loss are recognised in profit or loss.

Financial liabilities subsequently measured at amortized cost Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

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 net carrying amount on initial recognition.

Foreign Exchange Gains and Losses

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognised in 'Other income'.

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.

Derecognition of Financial Liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in profit or loss.

2.33. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies the directors of the Group are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:"

a. Useful lives of property, plant and equipment and Intangible Assets

The Group reviews the estimated useful lives of property, plant, equipment and intangible assets at the end of each reporting period. During the current year, there has been no change in life considered for the assets.

b. Expected Credit Losses

Expected credit losses of the Group are based on an evaluation of the collectability of receivables. A considerable amount of judgement is required in assessing the ultimate realization of these receivables, including their current credit worthiness, past collection history of each customer and ongoing dealings with them. If the financial conditions of the counterparties with which the Group contracted were to deteriorate, resulting in an impairment of their ability to make payments, additional expected credit loss may be required.

c. Estimation of net realisable value of inventories

Inventories are stated at the lower of cost and net realisable value. In estimating the net realisable value of inventories the Group makes an estimate of future selling prices and costs necessary to make the sale.

d. **Provision for employee benefits**

The Group uses actuarial assumptions to determine the obligations for employee benefits at each reporting period. These assumptions include the discount rate, expected long-term rate of return on plan assets, rate of increase in compensation levels and mortality rates.

e. **Provision for taxes**

Significant judgments are required in determining the provision for income taxes, including the amount expected to be paid/ recovered for uncertain tax positions.

f. **Fair Value Measurements**

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

g. **Leases**

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain or not to exercise the option to renew or terminate the lease. That considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

2.34. Changes in Accounting Policies

Standard Amendments

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules as issued from time to time. On August 13, 2025, MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, applicable from April 1, 2026, as below:

Pursuant to the amendment to Ind AS 1 – Presentation of Financial Statements, where an entity breaches a loan covenant on or before the reporting date, and the liability becomes payable on demand, it must be classified as current, even if the lender subsequently agrees not to demand repayment. It is classified as current because, at the reporting date, the entity does not have the right to defer settlement for at least 12 months. However, if the lender has already provided by the reporting date a grace period extending at least 12 months beyond that date, during which the breach can be rectified, and repayment cannot be demanded, the liability is classified as non-current.

The Group has not early adopted any amendments that have been notified but are not yet effective. This amendment is to be applied retrospectively for annual reporting periods beginning on or after April 1, 2026, in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors. The Group does not expect a significant impact of this amendment on the Consolidated Financial Statements.

Amended Standards Adopted by the Group:

The 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. MCA notified the Companies (Indian Accounting Standards) Amendments Rules, 2025 on May 07, 2025, which is applicable to the Group w.e.f. April 1, 2025.

i. **Ind AS 21 – Lack of Exchangeability**

The amendment provides guidance on determining the exchange rate when a currency is not exchangeable into another currency. Where exchangeability is lacking, entities are required to estimate the spot exchange rate that would be used in an orderly transaction under prevailing economic conditions and disclose the estimation process, key inputs, and associated risks. The Group has reviewed the amendment and based on its evaluation, the Group has determined that it does not have any impact on its Consolidated Financial Statements.

MCA notified the Companies (Indian Accounting Standards) Second Amendments Rules, 2025 on August 13, 2025, which is applicable to the Group w.e.f. April 1, 2025.

ii. Ind AS 1 – Classification of Liabilities as Current or Non-Current and Non- Current Liabilities with Covenants

The amendment relates to classification of liabilities as current and non-current with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Group has no impact of these amendments on its classification criteria of current and non-current liabilities.

iii. Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments Disclosures– Supplier Finance Arrangement:

The amendment in Ind AS 107 requires to inform users of Consolidated Financial Statements of the existence of Supplier Finance Arrangements (“SFA”) and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add SFA as a factor that may cause concentration of liquidity risk. The Group has reviewed the amendment and based on its evaluation, the amendments do not have any impact on the Consolidated Financial Statements.

iv. Ind AS 12 Income Taxes- International Tax Reform—Pillar Two Model Rules:

The amendment incorporates certain exceptions relating to the recognition and disclosures of deferred tax arising from implementation of the Organisation for Economic Co-operation and Development (“OECD”) Pillar Two Model rules. The amendment had no impact on the Consolidated Financial Statements as the Group is not in the scope of the Pillar Two model rules.

3A. Property, Plant and Equipment *

[₹ in lakh]

Particulars	Land	Development on Leasehold Land	Buildings	Plant and Machinery	Furniture and Fixtures	Office Equipments	Computers	Vehicles	Total
Deemed Cost									
As At March 31, 2024	**3,561**	**1**	**3,820**	**22,977**	**171**	**151**	**197**	**121**	**30,999**
Additions			464	1,567	0	7	18	-	2,056
Disposals and Impairment			-	(157)	-	-	-	(5)	(162)
Effect of foreign currency translation	33		(90)	71	(6)	2	-	-	10
As At March 31, 2025	**3,594**	**1**	**4,194**	**24,458**	**165**	**160**	**215**	**116**	**32,903**
Additions			1,854	7,825	93	129	39	207	10,148
Disposals and Impairment			(0)	(2,549)	(8)	(12)	(12)	(3)	(2,584)
Derecognition of Assets (Divestment of Subsidiaries)	(699)		(505)	(335)					(1,539)
Effect of foreign currency translation	**34**		**25**	**156**	**12**	**(8)**	**(114)**	**-**	**105**
As At March 31, 2026	**2,929**	**1**	**5,568**	**29,554**	**262**	**269**	**128**	**320**	**39,032**
Accumulated Depreciation									
As At March 31, 2024	**-**	**1**	**1,049**	**6,797**	**97**	**77**	**101**	**55**	**8,177**
Charged during the year	-	-	270	1,663	14	21	12	9	1,989
Disposals and Impairment	-	-	-	(69)	-	-	-	(5)	(74)
As At March 31, 2025	**-**	**1**	**1,319**	**8,391**	**111**	**98**	**113**	**59**	**10,092**
Charged during the year	-	-	321	2,000	16	22	6	26	2,391
Disposals and Impairment	-	-	(0)	(2,420)	(8)	(12)	(12)	(3)	(2,454)
As At March 31, 2026	**-**	**1**	**1,640**	**7,971**	**119**	**109**	**107**	**82**	**10,028**
Net Book Value									
As At March 31, 2025	**3,594**	**-**	**2,875**	**16,067**	**54**	**62**	**102**	**57**	**22,811**
As At March 31, 2026	**2,929**	**-**	**3,928**	**21,584**	**143**	**161**	**21**	**238**	**29,006**

The Addition during the year include those relating to R & D aggregating to ₹ NIL (Previous Year ₹NIL)

*Refer Note no.: 56

B. Capital Work-in-Progress [₹ in lakh]

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	**6,075**	1,705
Additions during the year	**7,965**	6,426
Capitalisation during the year	**(10,148)**	(2,056)
Balance at the end of the year	**3,892**	6,075

C. Intangible assets under development [₹ in lakh]

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the period	**-**	-
Additions during the year	**11**	-
Capitalisation during the year	**-**	-
Balance at the end of the period	**11**	-

(i) Additional disclosure as required under Schedule III to the Companies Act, 2013 as at 31st March 2026:

Details of CWIP ageing:

Particulars	< 1 year	1-2 years	2-3 years	> 3 years	Total
Projects in Progress	2,475	260	42	108	**2,885**
Projects temporarily suspended	189	823	7	-	**1,018**

(ii) Additional disclosure as required under Schedule III to the Companies Act, 2013 as at 31st March 2026:

Details of proposed expenditure for time / cost overrun projects:

Particulars	< 1 year	1-2 years	2-3 years	> 3 years	Total
New plant for one of the products	1,534				**1,534**
Storage tanks	207				**207**
Utility plant	144				**144**
Instrumentation Upgradation	3				**3**
Electrical updgradation	59				**59**
Misc Projects	106	-	-	-	**106**
Total	**2,053**	**-**	**-**	**-**	**2,053**

(i) Additional disclosure as required under Schedule III to the Companies Act, 2013 as at 31st March 2025:

Details of CWIP ageing:

Particulars	< 1 year	1-2 years	2-3 years	> 3 years	Total
Projects in Progress	5,246	461	198	170	**6,075**
Projects temporarily suspended	-	-	-	-	**-**

(ii) Additional disclosure as required under Schedule III to the Companies Act, 2013 as at 31st March 2025:

Details of proposed expenditure for time / cost overrun projects:

Particulars	< 1 year	1-2 years	2-3 years	> 3 years	Total
New plant for one of the products	6,340				**6,340**
Storage tanks	142				**142**
Utility plant	19				**19**
Misc Projects	156	-	-	-	**156**
Total	**6,657**	**-**	**-**	**-**	**6,657**

D. Right-of- Use Assets

[₹ in lakh]

Particulars	Land*	Buildings	Plant and Machinery	Total
Deemed Cost				
As At March 31, 2024	**3,755**	**1,678**	**2,717**	**8,151**
Additions	3,041	-	-	3,041
Disposals	-	-	-	-
Effects of Foreign exchange fluctuation	-	32	-	32
As At March 31, 2025	6,796	1,711	2,717	11,224
Additions	**-**	**-**	**-**	**-**
Disposals	-	-	-	-
Effects of Foreign exchange fluctuation	-	52	-	52
As At March 31, 2026	6,796	1,761	2,717	11,276
Accumulated Depreciation				
As At March 31, 2024	**393**	**478**	**1,359**	**2,230**
Charged during the year	162	274	274	710
Disposal	-	-	-	-
As At March 31, 2025	**555**	**752**	**1,633**	**2,940**
Charged during the year	176	295	449	920
Disposal	-	-	-	-
As At March 31, 2026	**732**	**1,046**	**2,082**	**3,860**
Net Book Value				
As at March 31, 2025	**6,241**	**959**	**1,084**	**8,284**
As at March 31, 2026	**6,065**	**715**	**635**	**7,416**

*Right of Use Asset - Land includes the lease hold land (Plant-II) in respect of which the holding company made payments during the previous year towards the arrears of lease ever since the lease is commenced. Pending receipt of the final assessment order ascertaining the lease obligations of the holding company, the addition is based on the accepted lease obligations.

Further, during previous year to the asset addition includes ₹2,415 lakhs leased land acquired at Saykha industrial estate, Gujarat for setting up of additional manufacturing facilities.

E. Goodwill on Consolidation

Particulars	**As at March 31, 2026**	As at March 31, 2025
Balance at the beginning of the year	**28,219**	27,109
Additions / Deletions during the year	**(11,001)**	-
Purchase Price Adjustment	**-**	391
Effect of foreign currency translation	**2,964**	719
Balance at the end of the year	**20,182**	**28,219**

F. Other Intangible Assets

[₹ in lakh]

Particulars	Patents, operating rights; Recipes, formulae,
As at March 31, 2024	**250**
Additions During the year	
Deletions during the year	-
As at March 31, 2025	**250**
Additions During the year	27
Deletions during the year	-
As at March 31, 2026	**277**
Accumulated Amortization	
As at March 31, 2024	**-**
Charged During the year	10
Disposal and Impairment	-
As at March 31, 2025	**10**
Charged During the year	70
Disposal and Impairment	-
As at March 31, 2026	**80**
Net Book Value	
As At March 31, 2025	**240**
As At March 31, 2026	**198**

4. Non-Current Investments

Particulars	As at March 31, 2026	As at March 31, 2025
Non-Current Investments		
Investments in equity instruments at FVTOCI		
Quoted Investments		
Chennai Petroleum Corporation Limited	**5**	2
(500 Equity shares [500 in Previous Year] of ₹10 each fully paid)		
Total of Quoted Investments	**5**	2
Unquoted Investments		
First Energy 6 Private Limited	**109**	109
[10,85,000 Equity shares [10,85,000 in Previous Year] of ₹10 each fully paid]		
First Energy 5 Private Limited	**248**	248
[24,79,000 Equity shares [24,79,000 in Previous Year] of ₹10 each fully paid]		
Amplus Iru Private Limited	**263**	1,146
[26,32,001 Equity shares [1,14,57,122 in Previous Year] of ₹10 each fully paid]		
AM Foundation *	**0**	0
(1,700 Equity shares [1,700 in Previous Year] of ₹10 each fully paid)		
Total of unquoted Investments	**620**	1,503
Total of Investments at FVTOCI	**625**	1,505
Total Non-Current Investments	**625**	1,505
Aggregate book value of quoted investments	**5**	2
Aggregate market value of quoted investments	**5**	2
Aggregate carrying value of unquoted investments	**620**	1,503
Aggregate amount of impairment in value of investments	**-**	-

*Less than a Lakh

Note: Investments in First Energy 5 Private Limited, First Energy 6 Private Limited and Amplus Iru Private Limited are made under Captive power agreements.

5. Other Financial Assets

[₹ in lakh]

	As at March 31, 2026	As at March 31, 2025
Non-Current		
Electricity deposits	**564**	633
Rental deposits	**94**	86
Total Other Financial Assets	**658**	719

6. Other Non-Current Assets

Particulars	As at March 31, 2026	As at March 31, 2025
Others		
Capital advances	**132**	1,277
Advance tax (Net of provision for tax)*	**1,909**	1,673
Other Advances	**12**	273
Prepaid expenses	**64**	57
Total Other Non-Current Assets	**2,117**	3,280

*Includes ₹1,451 lakhs [Previous year ₹1,432 lakhs] of refund due to the holding company adjusted against disputed Income Tax demands by the Income Tax Department and the disputed demands are being contested by the holding company before the appropriate forum. Based on the Legal advise received by the holding company and merits of the cases, the holding company is expecting favourable orders.

7. Inventories

Particulars	As at March 31, 2026	As at March 31, 2025
Inventories (lower of cost and net realisable value)		
Raw materials	**7,712**	4,518
Raw materials in transit	**799**	467
Work-in-progress	**33**	218
Traded goods	**1,145**	-
Finished goods	**5,398**	14,025
Stores and spares	**268**	332
Total Inventories	**15,355**	19,560

8. Trade Receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Current:		
Unsecured		
Trade Receivables - considered good	**16,828**	11,695
Trade receivables - Credit impaired	**32**	531
Allowance for bad and doubtful debts	**(32)**	(531)
Total Trade Receivables	**16,828**	11,695

Additional disclosure required under Schedule III to the Companies Act 2013

[₹ in lakh]

	Particulars	As at March 31, 2026	As at March 31, 2025
(i)	Undisputed Trade receivables – considered good		
	Not Due	**12,859**	7,939
	Due for Less than 6 months	**3,801**	3,746
	Due for More than 6 months but less than 1 year	**100**	9
	Due for More than 1 year but less than 2 year	**68**	1
(ii)	Undisputed Trade Receivables – credit impaired		
	Due for More than 6 months but less than 1 year*	**2**	-
	Due for More than 1 year but less than 2 year*	**1**	-
	Due for More than 3 years	**29**	531
	Less: Allowance for Doubtful debts	**(32)**	(531)
	Total Trade Receivables	**16,828**	11,695

*less than 1 lakh

9. Cash and Cash Equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with Banks:		
In current accounts*	**6,280**	7,222
In Fixed deposit with original maturity period of less than 3 months#	**30,940**	11,763
Cash on hand	**2**	2
Cash and Cash Equivalents	**37,222**	18,987

*Includes debit balance in cash credit accounts

#Fixed deposits included ₹1,500 lakhs (Previous year Nil) lien marked by Yes bank for the facilities availed.

10. Bank balances other than Cash and Cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Fixed Deposit with original maturity period more than 3 months and less than 12 months#	**22,727**	13,469
Margin money deposit accounts	**94**	89
Unspent CSR accounts	**134**	350
Unpaid dividend accounts	**355**	384
Total Bank balances	**23,309**	14,292

Margin Money deposits have an original maturity period of less than 12 months

#Fixed deposits for the current year includes ₹3,100 lakhs (Previous year Nil) lien marked by DCB bank for the facilities availed.

11. Loans

[₹ in lakh]

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Security deposits		
Considered Good - Unsecured	**24**	19
Other Loans:		
Considered Good - Unsecured	**12**	15
Total Loans	**36**	34

12. Other Financial Assets

Particulars	As at March 31, 2026	As at March 31, 2025
Interest accrued on Deposits	**279**	165
Interest accrued on Customer balances	**-**	-
Rental Deposits	**19**	44
Insurance claims receivable (Refer Note No 56)	**1,193**	1,871
Total Other Financial Assets	**1,491**	2,080

13. Other Current Assets

Particulars	As at March 31, 2026	As at March 31, 2025
Advances given to vendors	**235**	617
Prepaid expenses	**660**	654
Unamortised premium on forward contracts	**2**	6
Balances with Government authorities		
GST / CENVAT / VAT / Customs duty Credit receivable	**351**	1,237
Total Other Current Assets	**1,248**	2,514

14. Equity share capital

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Amount	No. of shares	Amount
Authorised share capital				
Share capital at the beginning of the year (Face Value of ₹5 each)	**24,00,00,000**	**12,000**	24,00,00,000	12,000
Movements during the year	**-**	**-**	-	-
Share capital at the end of the year (Face Value of ₹5 each)	**24,00,00,000**	**12,000**	24,00,00,000	12,000

Issued, Subscribed and paid up shares [₹ in lakh]

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Amount	No of shares	Amount
Fully paid up Equity Share capital (Face Value of ₹5 each)	17,19,99,229	8,600	17,19,99,229	8,600
Forfeited Share capital -Amount paid up		3		3
Total Equity Share Capital	17,19,99,229	8,603	17,19,99,229	8,603

There has been no movement in the Share Capital during the year.

a) Reconciliation of number of shares outstanding

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Amount	No. of shares	Amount
Outstanding at the beginning of the year	17,19,99,229	8,603	17,19,99,229	8,603
Issued / Forfeited during the year	-	-	-	-
Outstanding at the end of the year	17,19,99,229	8,603	17,19,99,229	8,603

b) Details of shareholders holding more than 5% shares in the company

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Holding %	No. of shares	Holding %
Fully paid equity shares				
M/s. SIDD Life Sciences Private Limited	6,58,46,053	38.3	6,58,46,053	38.3
M/s. Tamilnadu Industrial Development Corporation Ltd.	1,12,12,500	6.5	1,12,12,500	6.5

c) Details of shareholders holding by Promoters

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Holding %	No. of shares	Holding %
Fully paid equity shares				
M/s. SIDD Life Sciences Private Limited	6,58,46,053	38.28	6,58,46,053	38.28
M/s. Tamilnadu Industrial Development Corporation Limited	1,12,12,500	6.52	1,12,12,500	6.52
M/s. Ranford Investments Limited	85,050	0.05	85,050	0.05
Mr. Ashwin C Muthiah *	13,648	0.01	13,648	0.01
M/s. Southern Petrochemical Industries Corporation limited *	10,000	0.01	10,000	0.01
Total	7,71,67,251	44.86	7,71,67,251	44.86

*Shareholding percentage is less than 0.01%

d) Terms / rights attached to equity shares

The Holding Company has only one class of shares referred to as equity shares having a Face value of ₹5. In the event of liquidation, the same will be in proportion to the number of equity shares held. Each fully paid up equity share holders is entitled to one vote per share held.

15. Long-Term Lease Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Operating Lease Liabilities (Ind As 116) *	6,870	7,503
Total Non-Current Provisions	6,870	7,503

*Refer note no.: 55

16. Long-Term Borrowings

[₹ in lakh]

Particulars	As at March 31, 2026	As at March 31, 2025
Secured - at amortised cost		
Term Loan	**2,589**	**1,900**
Total Long-Term Borrowings	**2,589**	**1,900**

The Holding Company has sanctioned with Term Loan of ₹50 Crores from Bank and out of which the holding company has availed ₹34.52 Crores in tranches. The term loan is repayable in 20 quarterly installments and first installment starting from March 2026. The term loan is secured by way of first charge on moveable fixed assets of plant 2 (excluding vehicles) and second pari-passu charge on entire current assets.

There is no default as on the balance sheet date in the repayment of borrowings and interest thereon. No loans have been guaranteed by the director and others.

17. Other Financial Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Deposits		
Dues to Related Parties (Tamilnadu Petroproducts Limited)	63	57
Total Other Financial Liabilities	**63**	57

18. Non-Current Provisions

	As at March 31, 2026	As at March 31, 2025
Employee Benefits		
Post employment benefits	88	19
Compensated absences	69	60
Total Non-Current Provisions	**157**	79

19. Deferred Tax Liability (Net)]

	As at March 31, 2026	As at March 31, 2025
Tax Effect of Items Constituting Liabilities		
Property, Plant & Equipment	**1,556**	1,451
(Difference between book balance and tax balance)		
Deferred Tax of Subsidiaries	**81**	81
Tax Effect of Items Constituting Assets		
Provision for Lease Assets / (Liability) - Ind AS 116	**(694)**	(620)
Provision for doubtful debts / advances	**(6)**	(7)
Provisions Disallowed u/s. 43B of Income Tax Act, 1961	**(470)**	(627)
Mutual fund fair value income	**-**	(104)
Provision for TNPDCL Demand	**(30)**	
Provisions for Compensated absences, Gratuity and Other employee benefits	**(85)**	(61)
Net Deferred Tax Liabilities	**351**	114

20. Other Non-Current Liabilities

[₹ in lakh]

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured		
Deposits	**8**	23
Deferred Income	**217**	233
Non- Current Liability - Ind AS 109	**7**	12
Other Non-Current Liabilities	**232**	268
The deposits have been classified as under:		
As Non-Current Liabilities	**8**	23
As Current Liabilities (Disclosed in note 25)	**15**	15
Total Deposits	**23**	38
Interest free deposit movement:		
Opening Deposit Balance	**38**	54
Less: Deposit refunded during the year	**15**	15
Closing Balance	**23**	39

The above deposits represent the amounts received from two entities towards use of treated effluent pipeline as per the agreement entered into with them. These deposits are interest free and are adjustable in fifteen equal annual installments commencing from April 2012.

Particulars	As at March 31, 2026	As at March 31, 2025
The Deferred Income have been classified as under:		
As Non-Current Deferred Income	**217**	233
As Current Deferred Income	**17**	17
Total Deferred Income	**234**	250

The above Deferred Income was received as subsidy from Ozone Cell, Ministry of Environment and Forests, Government of India for phasing out of HCFC and the same has been considered for Deferred Income as per Ind AS 20: Accounting for Government Grants and Disclosure of Government Assistance. The current portion of the above said subsidy is shown under Other Current Liabilities in Note: 25

21. Current Borrowings

Particulars	As at March 31, 2026	As at March 31, 2025
Secured - at amortised cost		
From Banks:		
Current Maturities of Long Term Borrowings	**714**	100
Working Capital Loan	**100**	100
Bill Discounted	**1,937**	520
Cash Credit	**506**	1,922
Total current borrowings	**3,257**	2,642

Cash Credit & working capital loan from banks, which is repayable on demand, is secured by hypothecation of inventories, book debts and other receivables, both present and future, and by way of a second charge on the Company's immovable properties.

22. Short-Term Lease Liabilities

[₹ in lakh]

Particulars	As at March 31, 2026	As at March 31, 2025
Operating Lease Liabilities (Ind AS 116)*	**984**	869
Total Non-Current Financial Liabilities	**984**	869

* Refer note no. 55

23. Trade Payables

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Payables		
Due to Micro and Small Enterprises	**279**	235
Due to Related Parties	**205**	1,098
Due to Others	**10,811**	8,583
Total Trade Payables	**11,295**	9,916

Trade payables are dues in respect of goods purchased or services received in the normal course of business.

	Particulars	As at March 31, 2026	As at March 31, 2025
(i)	Undisputed Dues to Micro and Small enterprises		
	Not Due	**261**	235
	Due for Less than 6 months*	**18**	0
(ii)	Undisputed Dues to Others		
	Not Due	**7,013**	3,710
	Due for Less than 6 months	**3,914**	5,969
	Due for More than 6 months but less than 1 year	**82**	2
	Due for More than 1 year but less than 2 year*	**0**	0
	Due for More than 2 year but less than 3 year*	**-**	0
	Due for More than 3 years	**7**	-
	Total Trade Payables	**11,295**	9,916

* Less Than 1 lakh

24. Other Financial Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Unpaid dividend	**355**	384
Contractually reimbursable expenses	**330**	365
Capital Creditors	**339**	805
Liability of Unspent CSR	**124**	549
Total Other Financial Liabilities	**1,148**	2,103

25. Other Current Liabilities

[₹ in lakh]

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory remittances (Contributions to PF and ESIC, Witholding taxes, GST, ED, VAT, Service Tax, etc)	**400**	251
Deposits	**15**	15
Deferred Income	**17**	17
Customer Advances	**287**	264
Other Current Liabilities *	**980**	1,709
Total Other Current Liabilities	**1,699**	2,256

*Other Current Liabilities include the following provision of

1. ₹466 Lakh (Previous year ₹1,237 Lakh) relating to dispute in rate of customs duty for one of the imported raw materials, contested by the holding company before the appropriate forum (Ref. Note No.: 40).
2. ₹472 Lakh (Previous year ₹472 Lakh) has been provided for renewable power obligation as per the TNERC/CERC guidelines. Further, the holding company has purchased REC certificates for a value of ₹6 lakhs in the previous year

26. Current Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Employee benefits		
Gratuity	**169**	152
Post employment benefits	**2**	-
Compensated absences	**11**	10
Others		
Provision for wage arrears*	**1,200**	1,056
Other Provisions#	**577**	1,344
Total Current Provisions	**1,959**	2,562

***Provision for wage arrears**

In 2004, a claim was made against the holding company by its workmen, demanding wage revision for the years from 2001 to 2004. This matter was adjudicated by the Industrial Tribunal on October 23, 2008, which was challenged by the holding company in the Supreme Court. In October 2015, the employees' union filed an Interim Application (IA) No. 12 of 2015 in the Supreme court. Upon hearing both sides, the Supreme court gave directions to withdraw the SLP and approach the High Court. Accordingly a fresh application has been filed in the Madras High Court which is pending. In the month of March 2026, the holding company has received an order in favour of the employees by the Hon'ble High Court of Madras, and the holding company is in the process of filing an appeal before the Division Bench of the Madras High Court.

In the meantime based on the Management's efforts most of the workmen have opted for out of court settlement to whom payments were made and adjusted against the earlier provisions. The provision carried is in respect of the remaining workmen, who have not yet come forward for out of court settlement and would be subject to the the final outcome of the case. The management is confident that the provision carried in the books of accounts would be adequate to meet the expected liabilities. During the current year, ₹35 lakhs [previous year ₹32 lakhs] has been paid to Joint Commissioner of Labour- II for appeal under Payment of Wages Act, 1936.

The movement in the provision for wage arrears is given below: [₹ in lakh]

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	**1,056**	935
Charge for the year	**179**	152
Payments made during the year	**(35)**	(32)
Balance at the end of the year	**1,200**	1,056

#Other Provisions include ₹NIL (Previous Year ₹1,083 Lakh) relating to claim by an erstwhile customer being contested by the holding company in the City Civil Court, Mumbai. During the year, the claim filed by the erstwhile customer was dismissed by the City Civil Court, Mumbai, in favour of the holding company. Consequently, the provision of ₹1,083 Lakhs carried in the books of accounts has been reversed, being no longer required, and shown under exceptional items. (Ref Note No.: 40)

During the year, the holding company has received a show-cause notice from TNPDCL demanding an amount of ₹120 Lakhs towards revised energy consumption charges for the period 01.04.2024 to 31.03.2025, computed through 15-minute block-wise scheduled energy adjustments under DSM regulations 2019.

27 Current Tax Liabilities (Net)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for Income Tax (Net of Advance Tax)	**844**	537
Total Current Tax Liabilities (Net)	**844**	537

28 Revenue from Operations

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of Products		
Finished Goods	**96,745**	89,418
Traded Goods	**5,370**	24
Other Operating Revenues		
Scrap Sales	**124**	270
Total Revenue from Operations	**1,02,239**	89,712
Details of Sales (Net):		
Manufactured Goods:		
Propylene Oxide	**1,360**	954
Propylene Glycol	**32,183**	30,486
Polyol	**33,208**	14,607
Traded goods	**5,371**	24
Others	**32,527**	44,429
Total Manufactured Goods	**1,04,649**	90,500
Less: Trade Discounts	**2,534**	1,058
Total Sale of Products	**1,02,115**	89,442

29. Other Income

[₹ in lakh]

	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a)	**Interest income**		
	On Bank deposits (at amortised cost)	**1,603**	1,871
	From Customers and Others	**45**	75
b)	**Dividend income**		
	Dividends from Shares or Mutual Funds*	**0**	0
c)	**Profit on sale of Investments**	**-**	18
d)	**Other non-operating income** (net of expenses directly attributable to such income)		
	Insurance claims received	**17**	-
	Provisions no longer required written back	**7**	-
	Duty Drawback	**9**	13
	Profit on sale of Asset	**-**	3
	Business Support Income	**2,451**	158
	Miscellaneous Income	**248**	313
d)	**Net foreign exchange gains/(losses)**	**367**	-
	Total Other Income	**4,746**	2,451

*less than a lakh

30. Cost of materials consumed

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening Stock	**4,985**	4,392
Add: Purchases	**57,872**	65,788
Less: Closing Stock	**8,511**	4,985
Cost of materials consumed	**54,346**	65,195

31. Purchases of Stock in Trade

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Isocyanates	**6,532**	-
Purchases of Stock in Trade	**6,532**	-

32. Changes in inventories of finished goods and work-in-progress.

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Inventories at the end of the year		
Finished Goods	**5,398**	14,025
Work-in-process	**33**	218
Traded Goods	**1,145**	-
	6,576	14,243
Inventories at the beginning of the year		
Finished Goods	**14,025**	6,783
Work-in-process	**218**	193
Traded Goods	**-**	-
	14,243	6,976
Net Decrease / (Increase) in Inventories	**7,667**	(7,267)

33. Employee Benefits Expenses

[₹ in lakh]

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries and Wages*	**5,486**	5,856
Directors Remuneration	**726**	636
Contribution to provident and other funds	**179**	164
Gratuity expense	**69**	8
Post-Employment benefits	**23**	1
Staff welfare expenses	**774**	799
Employee Benefits Expenses (Gross)	**7,257**	7,464
(Add) / Less: Remeasurement Cost of net defined employee benefits	**23**	17
Total Employee Benefits Expenses	**7,234**	7,447

*Salaries and Wages include ₹179 lakh (Previous Year ₹169 lakh) towards R & D Expenses

34. Finance Costs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Finance Cost on Lease under Ind AS 116	**742**	770
Interest on working capital borrowings	**273**	161
Interest on term loan	**139**	-
Other Finance cost	**201**	114
Total Finance Costs	**1,355**	1,045

35. Depreciation and Amortization Expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of property, plant and equipment pertaining to continuing operations	**2,390**	1,989
Amortization Expenses on Intangible Asset	**70**	10
Depreciation on Right of Use assets under Ind AS 116	**920**	710
Total Depreciation & Amortisation Expenses	**3,380**	2,709

36. Power, Fuel & Water Expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Power	**2,803**	2,731
Fuel	**5,359**	6,070
Water	**1,139**	949
Total Power, Fuel & Water Expense	**9,301**	9,750

37. Other Expenses

[₹ in lakh]

	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a)	Consumption of Stores and Spares	**503**	440
b)	Repairs and Maintenance		
	Building	**256**	**119**
	Plant and machinery	**1,680**	**1,791**
	Information Technology	**101**	**73**
	Others	**363**	367
c)	Legal and Professional	**1,568**	1,372
d)	Directors sitting fees and Remuneration	**65**	42
e)	Expenditure on Corporate Social responsibility	**47**	386
f)	Loss on Property, Plant and Equipment sold/scrapped/written off	**10**	18
g)	Provision for Bad and Doubtful Debts	**3**	8
h)	Payments to Statutory auditors:		
	For Statutory Audit	**17**	15
	For Tax Audit	**3**	3
	For Other services	**8**	7
	Reimbursement of expenses	**1**	-
i)	Rent or Storage expenses	**238**	240
j)	Insurance	**571**	775
k)	Rates & Taxes	**361**	367
l)	Agency Commission	**191**	204
m)	Freight Outward	**1,766**	1,372
n)	Security Expenses	**247**	220
o)	Net foreign exchange losses	**-**	103
p)	Miscellaneous Expenses	**956**	836
	Total Other Expenses	**8,955**	8,758

The above Other Expenses include R&D spend aggregating to ₹100 lakh (Previous Year ₹108 lakh) under various items comprised therein.

38. Income Tax recognised in Statement of Profit and Loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current Tax		
In respect of current year	**1,895**	1,377
In respect of prior year	**(82)**	5
Deferred Tax		
In respect of current year	**237**	(108)
Total Tax Expenses	**2,050**	1,274

Reconciliation of Effective Tax Rate FY 2025-26: [₹ in lakh]

Particulars	Income	Tax Amount
Income as per Profit and Loss	**4,191**	1,055
Expenditure not allowed in Income Tax	**1,494**	376
Expenditure allowed- Temporary differences allowed	**(907)**	(228)
Non-Operating Income	**46**	7
Exempted Income	**(1,870)**	(471)
Tax Expense relating to Holding Company	**2,954**	739
Tax Expense relating to Subsidiaries		1,394
Tax on OCI - Reimbursement of Employee benefits and others	**(21)**	(5)
Total Tax Expenses of the Group		2,127

Reconciliation of Effective Tax Rate FY 2024-25:

	Income	Tax Amount
Income as per Profit and Loss	**(993)**	(250)
Expenditure not allowed in Income Tax	**760**	191
Expenditure allowed- Temporary differences allowed	**(249)**	(63)
Exempted Income	**52**	14
Tax Expense relating to Holding Company	**(430)**	(108)
Tax Expense relating to Subsidiaries		1,376
Tax on OCI - Reimbursement of Employee benefits and others	**(18)**	(5)
Total Tax Expenses of the Group		1,264

39. Earnings Per Share (EPS)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
The following reflects the profit and shares related data used in the Basic EPS computations:		
Profit for the period	**12,995**	2,931
No. of Shares used in computing earnings per share	**17,19,99,229**	17,19,99,229
Earnings Per Share - Basic and Diluted (in Rupees)	**7.56**	1.70
Face Value Per share (in Rupees)	**5.00**	5.00

40. Exceptional Item

(i) For the current year:

(a) The holding company has received Insurance claim of ₹816 lakhs towards the stocks affected by the floods (Cyclone Michaung) in the month of October 2025 and consequently expensed off ₹197 Lakhs (net) which was carried as claim receivables for the damaged inventories and shown as exceptional item.

(b) The holding company sold a portion of its land (0.1857 acres) for a consideration of ₹46.33 lakhs. The carrying amount of the portion sold was ₹0.46 lakhs. Accordingly, a gain on sale of land amounting to ₹45.87 lakhs has been shown as an exceptional item in the consolidated financial statements.

(c) The holding company has carried out physical verification of Property, plant and Equipment during the period and identified certain assets having a carrying book value of ₹54 lakhs to be no longer in use and written off from the books of accounts and shown under exceptional item in the consolidated financial statements.

(d) On November 21, 2025, the Government of India notified the four Labour Codes—namely the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020—collectively referred to as the New Labour Codes, consolidating 29 existing labour laws.

The holding company has assessed and disclosed the incremental impact of these changes on employee benefit obligations based on the best information available, read together with the FAQs issued by the Ministry of Labour & Employment and the Institute of Chartered Accountants of India. Considering the materiality and the regulatory-driven, non-recurring nature of the impact, an incremental amount of ₹34 lakhs has been presented as an exceptional item.

The holding company continues to monitor the finalisation of rules by the State Government and clarifications from the Government on other aspects of the New Labour Codes and will account for such developments as needed.

(e) During the quarter, gain on divestment of Notedome Limited and its subsidiary Notedome Europe GmbH, amounting to ₹5,216 lakhs (net of transfer expenses incurred) has been recognised as an exceptional item in the consolidated financial results of the Holding Company for the year ended March 31, 2026.

(f) The customs duty case relating to imported raw materials was decided in favour of the holding company by the Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Mumbai. Consequently, the provision of ₹770 Lakhs (net) carried in the books of accounts has been reversed, being no longer required, and shown as an exceptional item.

(g) The claim filed by the erstwhile customer was dismissed by the City Civil Court, Mumbai, in favour of the holding company. Consequently, the provision of ₹1,083 Lakhs carried in the books of accounts has been reversed, being no longer required, and shown under exceptional item.

(ii) For the previous year:

(a) The holding company has provided for an amount of ₹279 lakhs towards the diminution in the value of certain finished goods and ₹42 lakhs towards the anticipated deductions from the insurance claim for the damaged inventories and shown as exceptional item.

41 Segment Reporting (IND AS 108):

The Group is exclusively engaged in the business of Manufacture and sale of Petrochemical products primarily in India. As per Ind AS 108 “Operating Segments” specified under Section 133 of the Companies Act, 2013, there are no reportable operational or geographical segments applicable to the Company. However, entity wide disclosure of Revenue from External Customers is provided (in ₹ Lakhs):

[₹ in lakh]

Geographical Area	**For the year ended March 31, 2026**	For the year ended March 31, 2025
India	**78,897**	65,097
European Union and UK	**23,342**	24,615

42 Contingent Liabilities and Commitments (to the extent not provided for) (IND AS 37)

i) Contingent Liabilities

a) Claims against the Company not acknowledged as debt:

S. No	**Nature of the Dues**	**As at March 31, 2026**	As at March 31, 2025
1	Claim from TNPCB	**200**	**200**
2	Other Claim	**110**	**-**

1 During the year 2019-20, the Holding Company has received a demand from Tamilnadu Pollution Control Board (TNPCB) seeking payment of ₹200 lakh as interim environmental compensation for causing damages to the environment pursuant to order of National Green Tribunal (NGT). Further the NGT has directed to identify the industries that are causing pollution and collect the environmental compensation. In the opinion of the Holding Company the PCB has made the demand without following the above direction. The Holding Company has filed its submissions denying liability mentioned in demand notice and is awaiting the response from TNPCB.

2 During the current year, in respect of the petition filed by certain employees disputing the wages withheld by the Holding Company, the tribunal has decided in favour of employees ordering an award of ₹110 lakhs. Based on the relevant facts, the Holding Company is in the process of filing an appeal before the appropriate authorities against the order.

b) Other money for which the Company is contingently liable:

[₹ in lakh]

Nature of the Dues	Forum before which the dispute is pending	Period to which it relates	As at March 31, 2026	As at March 31, 2025
Goods and Service Tax	Dy. Commissioner - Appeals	2018-19	**-**	20
		2020-21	**10**	10
	Disputed Excise & Service Tax Demand		**10**	**30**
Sales Tax	Sales Tax Tribunal under Sales Tax Act	2000-01	**11**	11
	Appellate Deputy Commissioner (CT)	2008-09	**6**	6
	Hon'ble Madras High Court	Various Years	**11**	11
	Disputed Sales Tax Demand		**28**	**28**

Nature of the Dues	Forum before which the dispute is pending	Assessment Year	As at March 31, 2026	As at March 31, 2025
Income Tax	Hon'ble Madras High Court	2006-07	**2**	2
	Commissioner of Income Tax (A) (NFAC)	2008-09	**518**	518
	Commissioner of Income Tax (A) (NFAC)	2010-11	**177**	177
	Commissioner of Income Tax (A) (NFAC)	2010-11	**29**	29
	Commissioner of Income Tax (A) (NFAC)	2011-12	**345**	345
	Commissioner of Income Tax (A) (NFAC)	2012-13	**477**	477
	Income Tax Appellate Tribunal	2013-14	**29**	29
	Income Tax Appellate Tribunal	2014-15	**89**	89
	Income Tax Appellate Tribunal	2015-16	**108**	108
	Assistant Commissioner of Income Tax (LTU)	2015-16	**40**	40
	Income Tax Appellate Tribunal	2016-17	**232**	232
	Hon'ble Madras High Court	2017-18	**42**	42
	Commissioner of Income Tax (A) (NFAC)	2017-18	**5**	-
	Assessing Officer	2018-19	**254**	254
	Commissioner of Income Tax (A) (NFAC)	2020-21	**28**	35
	Assessing Officer *	2022-23	**4**	4
	Disputed Income Tax Demand **		**2,379**	2,381
Grand Total			**2,417**	2,439

*Against the above demands, the Holding Company has not paid any amount during the year. However, the said demand has been adjusted against the refund for the AY 2025-26. Further, the demand of has been rectified and reduced to ₹0.04 lakhs during the FY 2026-27.

**Includes ₹1,451 lakhs [Previous year ₹1,432 lakhs] of refund due to the Holding Company adjusted against disputed Income Tax demands by the Income Tax Department and the disputed demands are being contested by the Company before the appropriate forum. Based on the Legal advise received by the Company and merits of the cases, the Company is expecting favourable orders.

The above amounts are based on the notices of demand or the assessment orders or notifications by the relevant authorities, as the case may be, and the Holding Company is contesting these claims with the respective authorities. Outflows, if any, arising out of these claims would depend on the outcome of the decisions of the appellate authorities and the Company's rights for future appeals before the Judiciary. No reimbursements are expected.

ii) **Capital and Other Commitments**

[₹ in lakh]

Particulars	As at March 31, 2026	As at March 31, 2025
Estimated amount of contracts remaining to be executed (net of advances):	**15,177**	21,474
Bank Guarantees	**3,709**	776
Letter of Credits	**3,322**	1,474
Total Commitments	**22,208**	**23,724**

43 Dues to MSME

	Particulars	As at March 31, 2026	As at March 31, 2025
(a)	The principal amount remaining unpaid to any supplier at the end of each accounting year*	409	451
(b)	The interest payable thereon on (a)	-	-
(c)	The amount of interest paid by the buyer along with the amount of the payment made to the supplier beyond the due date during each accounting year	-	-
(d)	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(e)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(f)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

*includes amount payable to capital creditors (Mircro and Small enterprises) which are not part of trade payables.

44. Employee Benefits (Ind AS 19):

Defined contribution plans

The Group makes Provident fund and Pension (Funded) contributions to defined contribution plans for qualifying employees. Under the schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group recognised ₹174 lakh (year ended 31 March, 2025 - ₹160 lakh) for Provident Fund contributions, Pension (Funded) Fund and ESI contributions in the Statement of Profit and Loss. The contributions payable by the Group to these plans are at the rates specified in the rules of the schemes.

Defined benefit plans

The Group offers the following employee benefit schemes to its employees:

i) Gratuity (included as part of gratuity expense as per Note 33 : Employee benefits expense).

ii) Post-employment benefits (included as part of Post-employment benefits as per Note 33 : Employee benefits expense)

iii) Compensated absences ₹59 lakhs (previous year Nil) (included as a part of salaries & wages as per Note 33: Employee benefits) expense).

Gratuity- Plant 1:

Gratuity payable to employees is based on the employees' service and last drawn salary at the time of leaving the services of the Group and is in accordance with the rules applicable for payment of Gratuity.

Inherent Risk:

The Plan is Defined Benefit in nature, administered by a Trust which is sponsored by the Group and hence it underwrites all the risks pertaining to the Plan. In particular, this exposes the Group to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying Plan assets. This may result in an increase in cost of providing these benefits to its employees in future. Since these benefits are lump sum in nature, the Plan is not subject to any longevity risk.

Gratuity- Plant 2:

The Gratuity Fund relating to Plant -II is being maintained with Life Insurance Corporation of India and the Group contributes to the fund based on the valuation by LIC.

Pension

The Group considers Pension for its employees at Plant 1, in accordance with the Rules of the Group.

Principal actuarial assumptions used to determine the present value of the defined benefit obligation are as follows:

[₹ in lakh]

Assumptions	Pension (Funded)		Gratuity (Funded)	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Discount Rate (%)	**7.70%**	6.84%	**7.71%**	6.84%
Expected rate of salary increase (%)	**5.00%**	5.00%	**5.00%**	5.00%
Attrition Rate (%)	**3.00%**	3.00%	**3.00%**	3.00%
Weighted Average Duration of Defined Benefit Obligation (Years)	**1.94**	2.38	**11.32**	10.00

Net Employee benefit expense recognized in the employee cost in Total Comprehensive Income

Particulars	Pension (Funded)		Gratuity (Funded)	
	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Expense recognised in Statement of Profit or Loss				
Current service cost	1	1	38	38
Past service cost	-	-	28	-
Interest cost on benefit obligation	5	12	38	40
Expected return on plan assets	(8)	(12)	(29)	(42)
Sub Total	**6**	**1**	**75**	**36**
Recognised in Other Comprehensive Income				
Net actuarial (gain)/loss recognized in the year				
i. Demographic Assumptions on obligation		-		
ii. Financial Assumptions on obligation	(1)	3	(30)	11
iii. Experience Adjustments on obligation	(2)	(33)	(32)	58
iv. Actual Return on Plan Assets Less Interest on Plan Assets	3	30	84	(69)
Sub Total	**-**	**-**	**23**	**-**
Net benefit expense	**(2)**	**1**	**97**	**36**

Balance Sheet

[₹ in lakh]

Particulars	Pension (Funded)		Gratuity (Funded)	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Benefit asset / liability				
Present value of defined benefit obligation	69	66	502	645
Fair value of plan assets	112	119	334	574
Assets / (Liability) recognized in the balance sheet	**43**	**53**	**(169)**	**(71)**
Change in the present value of the defined benefit obligation				
Opening defined benefit obligation	66	168	645	629
Benefits paid	(1)	(84)	(185)	(131)
Expenses Recognised in Statement of Profit and Loss Account				
Current service cost	1	1	38	38
Interest cost on benefit obligation	5	12	38	40
Past Service Cost			28	
Recognised in Other Comprehensive Income				
Actuarial (gain)/loss on obligation	(3)	(30)	(62)	17
Closing defined benefit obligation	**69**	**66**	**502**	**645**

Movement in the fair value of plan assets

Particulars	Pension (Funded)		Gratuity (Funded)	
	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Opening fair value of plan assets	**119**	**199**	**574**	**646**
Contributions by employer	8	11		17
Contributions transfer in	-	-	-	-
Other adjustments			(58)	
Benefits paid	(1)	(84)	(185)	(131)
Expenses Recognised in Profit and Loss Account				
Expected return	8	12	29	42
Recognised in Other Comprehensive Income				
Actuarial (gain) / loss on plan assets	(15)	(19)	(26)	(1)
Closing fair value of plan assets	**112**	**119**	**334**	**574**

Percentage allocation of plan assets by category:

Particulars	Pension (Funded)		Gratuity (Funded)	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
High quality corporate bonds				79%
Bank Balance	**56%**	68%		21%
Funds managed by Insurer			**100%**	
Other Investments	**43%**	32%		
Total	**100%**	100%	**100%**	100%

Maturity Profile of the DBO and Expected Cashflows in the following period:

[₹ in lakh]

Particulars	Pension (Funded)		Gratuity (Funded)	
	31/03/2026	31/03/2025	31/03/2026	31/03/2025
Within next 12 Months	**2**	2	**54**	76
Between 1 and 5 years	**7**	122	**310**	329
5 years and above	**70**	62	**160**	243

Sensitivity Analysis

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

Pension (Funded)

Particulars	Increase		Decrease	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Impact of the change in discount rate - 1%	**(3)**	(2)	**4**	3
Impact of the change in salary increase - 1%	**1**	0	**(0)**	0
Impact of the change in Mortality - 1%	**(0)**	-	**0**	0

Gratuity

Particulars	Increase		Decrease	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Impact of the change in discount rate - 0.5%	**(32)**	36	**34**	37
Impact of the change in salary increase - 0.5%	**35**	38	**(31)**	(34)
Impact of the change in Mortality - 5%	**4**	1	**(5)**	(2)

The composition of investments in the fair value of plan assets relating to gratuity as given above is relating to employees of Plant -I only. The Gratuity fund relating to Plant - II is being maintained with Life Insurance Corporation of India (LIC) and as per the information provided by LIC the total fair value of plan assets and present value of obligations as on March 31, 2026 were ₹7 lakh and ₹81 lakh respectively. [March 31, 2025 - ₹43 lakh and ₹130 lakh].

45 Related Party Disclosures (Ind AS 24):

a) Related Parties with whom there were transactions during the year:

Name of the Related Party	Relationship
SIDD Life Sciences Private Limited	Investment Company / Venturer Company
Southern Petrochemical Industries Corporation Limited	Associate Company having significant Influence
Tamilnadu Industrial Development Corporation Limited	Associate Company having significant Influence
Tamilnadu Petroproducts Limited	Joint Venture of the entity to which the company is an Associate
CNGSN & Associates LLP	Firm in which a relative of director is a partner (till 12.08.2024)
MPL Employees Superannuation Trust	Post Employment Benefit Plan Entity
MPL Employees Gratuity Fund Trust	Post Employment Benefit Plan Entity
AM Foundation	Private Company in which, director and his relative are directors

Name of the Related Party	Relationship
Amworth Investment Management UK Limited	Related Party of Subsidiary Company
Wilson International Trading Private Limited	Related Party of Subsidiary Company
Bowry Services Limited	Related Party of Subsidiary Company
Mr. Ashwin C Muthiah	Non-Executive, Non Independent Director of the Company
Ms. Sashikala Srikanth	Non-Executive, Independent Director of the Company upto 12.08.2024
Mr. G Chellakrishna	Non-Executive, Independent Director of the Company upto 12.08.2024
Lt. Col. (Retd.) Chatapuram Swaminathan Shankar	Non-Executive, Independent Director of the Company
Mr. Govindarajan Dattatreyan Sharma	Non-Executive, Independent Director of the Company
Mr. Thanjavur Kanakaraj Arun	Non-Executive, Independent Director of the Company
Mr. N Sundaradevan, IAS (Retd.)	Non-Executive, Independent Director of the Company
Ms. Devaki Muthiah Chardon	Non-Executive, Non Independent Director of the Company
Mr. Hugo Patrice Michel Chardon	Non-Executive, Non Independent Director of the Company w.e.f 05.02.2025
Mrs. Latha Ramanathan	Non-Executive, Independent Director of the Company w.e.f.05.08.2024
Mr. Gopala Rammohan Sridhar	Whole-Time Director (Operations) - w.e.f 13.05.2024, from 01.02.2025 - Whole-Time Director (Head of Plant Operations)
Mr Niranjhan Madras Srinivasan	Non-Executive, Independent Director of the Company w.e.f.05.02.2025
Mr. Mark Humphries	Executive, Non Independent Director of the Company
Mr. C M Bowry	Executive, Non Independent Director of the Company
Mr. G Nagarajan	Managing Director of the Subsidiary
Mr. Tobias Tasche	CEO of the Subsidiary - w.e.f. 24.07.2023
Mr. Muthukrishnan Ravi	Director of Subsidiary Companies upto 17.11.2025
Mr. R Chandrasekar	Managing Director w.e.f. 13.05.2024 till 01.02.2025. From 01.02.2025, Managing Director & CEO - MPL Group
Mr. R Swaminathan	Company Secretary - up to 06.02.2025
Mrs. K Lalitha	Chief Financial Officer - w.e.f 13.05.2024 till 03.10.2025
Ms. Srishti M Bathija	Chief Financial Officer - MPL Group - w.e.f 03.10.2025
Mr. G Sri Vignesh	Company Secretary - w.e.f. 07.02.2025

b) **Transactions with Investing Company, Associate Companies and Other Related parties during the Year:**

[₹ in lakh]

Sl. No.	Particulars	Year ended March 31, 2026	Year ended March 31, 2025
1	**Dividend paid:**		
	SIDD Life Sciences Private Limited	**494**	494
	Tamilnadu Industrial Development Corporation Limited	**84**	84
	Southern Petrochemical Industries Corporation Limited*	**0**	0
2	**Purchase of Goods:**		
	Tamilnadu Petroproducts Limited	**2,081**	17,197
	Wilson International Trading Private Limited	**3,148**	-
3	**Purchase of Services:**		
	Tamilnadu Petroproducts Limited	**15**	-
	CNGSN & Associates LLP	**-**	6
	Southern Petrochemical Industries Corporation Limited*	**0**	3
	Amworth Investment Management UK Limited	**928**	192
	Wilson International Trading Private Limited	**7**	25
	Bowry Services Limited	**20**	20
4	**Donations**		
	AM Foundation	**4**	13
5	**Rendering of services**		
	Tamilnadu Petroproducts Limited	**1,051**	38
6	**Sale of Goods/Assets:**		
	Tamilnadu Petroproducts Limited	**268**	8,742
	Southern Petrochemical Industries Corporation Limited	**-**	2
	Mr. Muthukrishnan Ravi	**-**	3
7	**Contributions to Post employment benefit plan trust:**		
	MPL Employees Superannuation Trust	**17**	20
	MPL Employees Gratuity Fund Trust	**-**	-
8	**Remuneration to Directors and KMPs - Short-term Employee benefits ***	**830**	1,472
9	**Sitting Fees Paid to Directors**	**65**	42
10	**Training & Development**	**63**	-
11	**Reimbursement of expenses**		
	Mr. Ashwin C Muthiah	**-**	24
	AM Foundation	**15**	6
	Mr. Muthukrishnan Ravi	**-**	38

*less than a lakh

c) **Outstanding Balances:**

Sl. No.	Particulars	Year ended March 31, 2026	Year ended March 31, 2025
1	**Trade Payables**		
	Tamilnadu Petroproducts Limited	**205**	992
2	**Other Payables**		
	Tamilnadu Petroproducts Limited	**69**	77
	Amworth Investment Management UK Limited	**-**	166
3	**Trade Receivables**		
	Tamilnadu Petroproducts Limited	**170**	30

Note: The above details of remunerations to Whole Time Director, Chief Financial Officer, Company Secretary and sitting fees to other Non-Executive Directors does not include Post Retirement Benefits.

46 Operating Leases (Ind AS 116):

Bulk storage facility at Ennore Port (Holding Company)-

The lease is for a period of 15 years from 1st April, 2014 . In the event of premature termination of this agreement prior to the expiry of fifteen year firm period, the Company is liable to make payment of termination compensation as per terms of agreement.

The lease agreement provides for an increase in the lease payments by 3% every year.

The lease has been renewed for a period of 9 years from 1st November 2023. The lease agreement provides for an increase in the lease payments by 15% every 3 years. During the previous year, the lease agreement has been renewed for further period of 9 years at same terms and conditions.

Plant-2 land (Holding Company)-

The lease rent that has been revised has been considered as basis for adopting Ind AS 116 “”Leases” with effective from 01.04.2021. Accordingly, the Right of Use Asset value and corresponding lease liability are recognised in the books of accounts. Adjustments, if any necessitated by the actual terms of the renewal would be made to these in due course, on receipt of the same from the Government (Refer note no.: 55).

Lease of land (Holding Company)-

During the year, the Holding Company has entered into a long term lease agrement for a period of 93 years, for a plot of land at Saykha Village (Gujarat), and IND AS 116 has been adopted for the lease from the date of acquisition.

Lease of land and building (Subsidiary Company)-

During the year, one of the subsidiary companies has entered into a long term lease agrement upto January 2028, for a plot of land and building at Oragadam (Tamil Nadu), and IND AS 116 has been adopted for the lease from the date of acquisition. The lease agreement provides for an increase in the lease payments by 5% every year.

[₹ in lakh]

Sl. No.	Particulars	FY 2025-26	FY 2024-25
(a)	Weighted average lessee’s incremental borrowing rate	**10.00%**	10.00%
(b)	Depreciation charge for the year		
	- Land	**176**	162
	- Buildings	**295**	274
	- Plant and Machinery	**449**	274
(c)	Interest expense on lease liabilities	**742**	770
(d)	Total cash outflow for Operating leases	**1,334**	3,606
(e)	Additions to right-of-use assets		
	- Land	**-**	3,041
	- Buildings	**-**	-
	- Plant and Machinery	**-**	-
(f)	Carrying amount of right-of-use assets at the end of the reporting period by class of underlying asset		
	- Land	**6,065**	6,241
	- Buildings	**715**	959
	- Plant and Machinery	**635**	1,084
(g)	Payment towards short-term lease expenses	**238**	240

47 Corporate Social Responsibility

As per Section 135 of the Companies Act 2013, the Company needs to spend 2% of its average net profits of the immediately preceding three financial years on corporate social responsibility (CSR) activities. The Company has incurred CSR expenditure on activities specified in Schedule VII of the Companies Act, 2013 as below:

- Details of the CSR spent or unspent for the financial year

[₹ in lakh]

Sl. No	Particulars	FY 2025-26	FY 2024-25
1	Gross amount required to be spent	47	386
2	Total Amount Spent for the Financial Year from FY 2021-22 shortfall	-	32
3	Total Amount Spent for the Financial Year from FY 2022-23 shortfall	77	241
4	Total Amount Spent for the Financial Year from FY 2023-24 shortfall	186	197
5	Total Amount Spent for the Financial Year from FY 2024-25 shortfall	175	169
6	Total Amount Spent for the Financial Year from current year obligation	39	NA
7	Total Amount unspent for the financial year 2025-26	11	-
8	Total Amount unspent for the financial year 2024-25	43	217
9	Total Amount unspent for the financial year 2023-24	78	263
10	Total Amount unspent for the financial year 2022-23	-	68
11	Total Amount unspent for the financial year 2021-22	0	0

- Amount spent during the year on:

	Particulars	FY 2025-26	FY 2024-25
1	Construction / acquisition of any property	**135**	68
2	On purpose other than above	**342**	570

During the financial year, the Company incurred CSR expenditure aggregating to ₹477 lakhs. Of this amount, ₹438 lakhs was utilised out of the unspent CSR amounts lying in the designated Unspent CSR Account(s) in respect of preceding financial years, and ₹39 lakhs was spent against the CSR obligation for the current financial year.

The CSR obligation for the financial year amounted to ₹47 lakhs. In addition, surplus of ₹3 lakhs arising from CSR projects was ploughed back into CSR activities, in accordance with the applicable provisions of the Companies Act, 2013 and the rules made thereunder. Accordingly, the total amount available for utilisation towards CSR activities during the year was ₹50 lakhs.

An amount of ₹11 lakhs relating to ongoing projects remained unspent as at the end of the financial year. Such amount has been transferred to the designated Unspent Corporate Social Responsibility Account within the prescribed timeline and shall be utilised in accordance with the approved implementation schedule for the respective ongoing projects. The CSR expenditure incurred during the year was primarily towards projects relating to the establishment/support of Primary Health Care Centres and sanitation facilities in schools.

48 Research and Development expenditure incurred during the year is given below:

Sl. No.	Particulars	FY 2025-26	FY 2024-25
1	Revenue Expenditure	**279**	277
2	Capital Expenditure (including capital work-in-progress)	**-**	-

49 Distribution Made and Proposed (Ind AS 1):

Particulars	FY 2025-26	FY 2024-25
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended on March 31, 2025: ₹0.50 per share (March 31 2024: ₹0.75 per share)	**860**	1,290
Total Distribution made	**860**	1,290
Proposed Dividend on Equity Shares		
Proposed dividend for the year ended on March 31, 2026: ₹0.50 per share (March 31 2025: ₹0.50 per share)	**860**	860
Total Dividend Proposed	**860**	860

Proposed dividend on equity shares is subject to approval at the ensuing annual general meeting and not recognised as a liability as at March 31, 2026

50 Capital Management (Ind AS 1):

The objective of the Company's capital management structure is to ensure sufficient liquidity to support its business and provide adequate return to shareholders. Management monitors the long term cash flow requirements including externally imposed capital requirements of the business in order to assess the requirement for changes to the capital structure to meet the said objective. As part of this monitoring, the management considers the cost of capital and the risks associated with each class of capital and makes adjustments to the capital structure, where appropriate, in light of changes in economic conditions and the risk characteristics of the underlying assets. The funding requirement is met through a combination of equity, internal accruals, borrowings or undertake other restructuring activities as appropriate.

No changes were made in the objectives, policies or processes during the year ended 31 March 2026

The Company's capital and net debt were made up as follows: [₹ in lakh]

Particulars	March 31, 2026	March 31, 2025
Net debt (Long term debt less Cash and Cash equivalent)	**-**	-
Total equity	**1,28,146**	1,09,445

51 Financial Risk Management Objectives and Policies (IND AS 107):

Financial Risk Management Framework

Company's principal financial liabilities comprise borrowings, trade payables and Other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include Investments, Trade receivables, loans, cash and bank balances and other financial assets.

Risk Exposures and Responses

The Company is exposed to market risk, credit risk and liquidity risk. The Board of Directors reviews policies for managing each of these risks, which are summarised below.

i) Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowing.

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. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term borrowing with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

The Companys exposure to interest rate risk relates primarily to interest bearing financial liabilities. Interest rate risk is managed by the company on an on-going basis with the primary objective of limiting the extent to which interest expense could be affected by an adverse movement in interest rates.

Sensitivity Analysis

An increase/decrease of 100 basis points in interest rate at the end of the reporting period for the variable financial instruments would (decrease)/increase profit after taxation for the year by the amounts shown below. This analysis assumes all other variables remain constant.

Particulars	Profit / (Loss) after taxation	
	March 31, 2026	March 31, 2025
Financial Liabilities - Borrowings		
+1% (100 basis points)	**103**	82
-1% (100 basis points)	**(103)**	(82)
Financial Assets - Loans		
+1% (100 basis points)	**0**	0
-1% (100 basis points)	**(0)**	(0)

There are no hedging instruments to mitigate this risk.

Foreign Currency Risk

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the, raw materials and consumables, capital expenditure, exports of Polyols and the Company's net investments in foreign subsidiaries. When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged item, the Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established forex risk management policies and standard operating procedures. It uses derivative instruments forwards contract to hedge exposure to foreign currency risk.

Company's Total Foreign currency exposure:

Particulars	Currency	March 31, 2026		
		Exchange Rate	Amount in Foreign Currency	Amount [₹ in lakh]
Trade Payables	USD	**94.6543**	**47,92,794**	**4,537**
		March 31, 2025		
Trade Payables	USD	85.5814	26,42,307	2,261
	GBP	110.7389	16,420	18
Trade Receivables	USD	85.5814	1,325	1

Company's Unhedged Foreign currency exposure:

Particulars	Currency	March 31, 2026		
		Exchange Rate	Amount in Foreign Currency	Amount [₹ in lakh]
Trade Payables	USD	**94.6543**	**39,577**	**37**
		March 31, 2025		
Trade Payables	USD	85.5814	9,18,503	786
	GBP	110.7389	16,420	18
Trade Receivables	USD	85.5814	1,325	1

Sensitivity

If foreign currency rates had moved as illustrated in the table below, with all other variables held constant, currency fluctuations on unhedged foreign currency denominated financial instruments, post tax profit would have been affected as follows:

[₹ in lakh]

Particulars	Profit / (Loss) after taxation	
	March 31, 2026	March 31, 2025
INR/USD- increase by 5%	(1)	(29)
INR/USD- decrease by 5%	1	29
INR/GBP- increase by 5%	-	(1)
INR/GBP- decrease by 5%	-	1

Commodity Risk

The Company mainly sources its materials domestically and the exports are not substantial, there has been no major commodity price risks faced. Accordingly, there has been no commodity hedging activities undertaken by the Company. As regards the Foreign exchange risks, the Company takes forward contracts based on the exposure and extant market conditions and details of hedging are available in the consolidated financial statements.

ii. Credit risk management

Credit risk arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/ investing activities, including deposits with banks, mutual fund investments, foreign exchange transactions and financial guarantees.

Trade Receivables:

Trade receivables are consisting of a large number of customers. The Company has credit evaluation policy for each customer and based on the evaluation credit limit of each customer is defined.

Total Trade receivable (net of Provisions) as on March 31, 2026 is ₹16,828.11 Lakhs (March 31, 2025 ₹11,695.42 Lakh)

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default in payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

Movement of expected credit loss:

[₹ in lakh]

Particulars	March 31, 2026	March 31, 2025
Opening Provision	**531**	523
Add: Provided during the year	**3**	8
Less: Written-back / divestment during the year	**(502)**	-
Closing Provision	**32**	531

Cash and Cash Equivalents and Bank Deposits:

Credit risk on cash and cash equivalents and balances with Banks is considered to be minimal as the counterparties are all substantial banks and Corporates with high credit ratings. The Directors are unaware of any factors affecting the recoverability of outstanding balances at 31 March 2026.

iii. Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's treasury team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities and investments at the reporting date based on contractual undiscounted payments.

Particulars	At 31 March 2026			
	Up to 1 year	1 to 2 years	2 to 5 years	Total
Cash Credits, Loans and Bills Discounted	**3,257**	**690**	**1,899**	**5,846**
Trade and other payables	**16,102**	**-**	**69**	**16,170**
Operating Lease Liabilities (Ind As 116)	**984**	**616**	**862**	**2,462**
Total	**20,343**	**1,306**	**2,829**	**24,478**

Particulars	At 31 March 2025			
	Up to 1 year	1 to 2 years	2 to 5 years	Total
Cash Credits, Loans and Bills Discounted	2,642	450	1,450	4,542
Trade and other payables	16,838	-	69	16,907
Operating Lease Liabilities (Ind As 116)	869	933	2,034	3,837
Total	**20,349**	**1,383**	**3,553**	**25,285**

52 A) Classification of Financial Assets and Liabilities (IND AS 107):

[₹ in lakh]

Particulars	As at March 31, 2026	As at March 31, 2025
Financial assets		
Fair Value through Other Comprehensive Income		
Equity Shares	**625**	1,505
Amortised Cost		
Trade receivables	**16,828**	11,695
Loans	**36**	34
Cash and cash equivalents	**37,222**	18,987
Bank Balances	**23,309**	14,292
Other Financial Assets	**2,149**	2,755
Total	**80,169**	49,267
Financial liabilities		
Amortised Cost		
Borrowings	**5,846**	4,542
Trade payables	**11,295**	9,916
Other Financial Liabilities	**1,211**	2,160
Operating Lease Liabilities (Ind As 116)	**7,854**	8,372
Total	**26,206**	24,990

B) Fair value measurements (Ind AS 113):

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company has established the following fair value hierarchy that categorises the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all stocks which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Particulars	As at March 31, 2026	As at March 31, 2025
Financial assets at Fair Value Through Profit and Loss		
Investments - Level - 1	**-**	-
Financial assets at Fair Value Through Other Comprehensive Income		
Investments in Listed Equity Shares- Level-1	**5**	2
Investments in unlisted Equity Shares- Level-2	**620**	1,503

Valuation Techniques used to determine the fair value

The significant inputs used in the fair value measurement categorized within the fair value hierarchy are as shown below:

Nature of Financial Instrument	Valuation Technique	Remarks
Investments in listed equity shares	Market Value	Closing price as at 31st March in Stock Exchange
Investments in unlisted equity shares	Market Approch	Based on information provided and considering the availability of information in the public domain.

53 Additional information on Consolidated Net Assets, Share of Profit or Loss, Other Comprehensive Income and Total Comprehensive Income as required under Schedule III to the Companies Act, 2013

Name of the Entity in the Group	Net Assets*		Share of Profit or Loss		Share in OCI #		Share in TCI @	
	As % of consolidated net assets	Amount in Lakh	As % of consolidated Profit or Loss	Amount in Lakh	As % of consolidated Profit or Loss	Amount in Lakh	As % of consolidated Profit or Loss	Amount in Lakh
Parent Manali Petrochemicals Limited	46.54	59,637	25.75	3,346	100.00	6,566	50.67	9,912
Subsidiary - Foreign								
1. AMCHEM Speciality Chemicals Private Limited, Singapore	46.57	59,680	45.96	5,972	0.00	-	30.53	5,972
2. Notedome Limited (till 17/11/2025)	0.00	-	12.12	1,575	0.00	-	8.05	1,575
3. Notedome Europe GmbH (till 17/11/2025)	0.00	-	(0.01)	(1)	0.00	-	(0.00)	(1)
4. Penn White Limited	5.43	6,955	20.00	2,599	0.00	-	13.29	2,599
- Domestic								
5. Penn White India Private Limited	1.46	1,866	(3.81)	(495)	0.00	-	(2.53)	(495)
6. Manali Speciality Private Limited	0.01	8	(0.00)	(1)	0.00	-	(0.00)	(1)
Total	100.00	1,28,146	100.00	12,995	100.00	6,566	100.00	19,561

*Total Assets - Total Liabilities

#Other comprehensive Income

@Total comprehensive Income

54 Additional regulatory Information required under Schedule III of Companies Act, 2013

(i) Details of Benami property held

No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowing secured against current assets

The Group has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Holding Company with banks and financial institutions are in agreement with the books of accounts.

(iii) Wilful defaulter:

The Group has not been declared as Wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Registration of charges:

The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(v) Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) Utilization of borrowed funds and share premium

During the year, the Holding 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 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 provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries The Holding 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 group 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

(viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous financial year in the tax assessments under the Income Tax Act, 1961, and hence requirement to record in the books of accounts does not arise.

(ix) Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) Valuation of PP&E, and intangible asset

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous financial year.

(xi) Relationship with struck off companies

The Group has transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956 and below are the disclosure of dealings with struck off companies and its outstanding balances as at 31st March.

[₹ in lakh]

Name of the struck off company	Nature of transactions with struck off company	Relationship with the struck off company	Balance outstanding	
			As at 31.03.2026	As at 31.03.2025
J N Securities Pvt Limited*	Shares held	Shareholder	**0.00**	0.00
Kothari Intergroup Ltd.*	Shares held	Shareholder	**-**	0.00
Maineni Securities Limited	Shares held	Shareholder	**0.06**	0.06
Rahan Finance & Leasing (P) Ltd	Shares held	Shareholder	**0.02**	0.02
Vaishak Shares Limited*	Shares held	Shareholder	**0.00**	0.00
Kadsan Securities Pvt. Ltd.	Shares held	Shareholder	**0.04**	0.04
J N Securities Pvt Limited*	Payment of Dividend	Shareholder	**0.00**	0.00
Kothari Intergroup Ltd.*	Payment of Dividend	Shareholder	**-**	0.00
Maineni Securities Limited	Payment of Dividend	Shareholder	**0.01**	0.01
Rahan Finance & Leasing (P) Ltd*	Payment of Dividend	Shareholder	**0.00**	0.00
Vaishak Shares Limited*	Payment of Dividend	Shareholder	**0.00**	0.00
Kadsan Securities Pvt. Ltd.*	Payment of Dividend	Shareholder	**0.00**	0.01

*Outstanding balance is less than ₹1000/-

(xii) Ratio Analysis and its elements

S. No.	Particulars		31-Mar-26	31-Mar-25	% Change	Reason for variance
1	Current ratio = Current Assets /Current Liabilities	Times	**4.51**	3.31	36%	Increase in current assets due to divestment of two subsidiaries
2	Debt- Equity Ratio = Total Debt / Shareholder's Equity	Times	**0.05**	0.04	10%	
3	Debt Service Coverage ratio =Earnings for debt service = Net profit after taxes + Non-cash operating expenses / Debt service = Interest & Lease Payments + Principal Repayments	Times	**3.84**	1.81	112%	Higher profitability in the current year on account of better sales realisation per unit.
4	Return on Equity ratio = Net Profits after taxes – Preference Dividend/ Shareholder's Equity	%	**10.14%**	2.68%	279%	Higher profitability in the current year on account of better sales realisation per unit.
5	Inventory Turnover ratio = Cost of goods sold / Average Inventory	Times	**4.09**	4.45	-8%	
6	Trade Receivable Turnover Ratio = Net credit sales = Gross credit sales - sales return / Average Trade Receivable	Times	**7.17**	7.54	-5%	

S. No.	Particulars		31-Mar-26	31-Mar-25	% Change	Reason for variance
7	Trade Payable Turnover Ratio = Net credit purchases = Gross credit purchases - purchase return / Average Trade Payables	Times	**16.37**	19.18	-15%	
8	Net Capital Turnover Ratio = Net sales = Total sales - sales return / Working capital = Current assets – Current liabilities	Times	**1.38**	1.86	-26%	Increase in current assets due to divestment of two subsidiaries
9	Net Profit ratio = Net Profit / Net sales = Total sales - sales return	%	**12.71%**	3.27%	289%	Higher profitability in the current year on account of better sales realisation per unit.
10	"Return on Capital Employed = Earnings before interest and taxes / Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability "	%	**6.91%**	4.67%	48%	Current year Earnings before Interest and Taxes is increased due to better sales realisation per unit.
11	Return on Investment = Interest (Finance Income) / Investment	%	**8%**	9%	-15%	

55 Note on Leasehold Land

The period of lease relating to the leasehold land expired on June 30, 2017 for which request for renewal for a further period of 30 years has been filed by the Company with Government of Tamil Nadu, which is under process. Pending renewal, lease rent has been paid till 30th June 2026 and has been accepted and encashed by the authorities. The Management is confident that renewal of the lease will be granted as requested, as the land has been put to use for the specific purpose for which it has been allotted and hence no adjustments for impact of non-renewal, (which however is unascertainable at this point in time), are necessary in the consolidated financial statements.

The Holding company has adopted Ind AS 116 “Leases” with effective from 01.04.2021 considering that the lease would be renewed and lease rent obligations as per the demand notices received. Accordingly, the Right of Use Asset value and corresponding lease liability are recognised in the books of accounts. Adjustments, if any necessitated by the actual terms of the renewal would be made in due course, on receipt of the same from the Government.

The Auditors have included an Emphasis of Matter on the same in their Audit Report.

56 Note on Cyclone Flood Claim

The Insurance Claims made by the Holding Company towards Loss of Inventories have been crystallized and settled by the Insurers in October 2025. Pursuant to which, the Holding Company has derecognized an amount ₹197 Lakhs pertaining balance claims receivable (Net of Salvage Value) since the Management does not anticipate any further recoveries out of the Insurance Claims Receivable recognized in the earlier periods. This amount has been shown as an exceptional item in the Consolidated Financial Statements.

The claims towards Property, Plant & Equipment are still under consideration and Pending determination of the eligible claims the cost incurred towards repairs and reinstatement of assets, and derecognition of affected assets, amounting to ₹1,180 lakh is carried as Insurance receivable (net of interim claim received amount ₹300 lakhs) as at 31.03.2026, in view of which the impact on the financial results is unascertainable, accordingly no adjustments have been made in the consolidated financial statements in this regard.

The Auditors have included an Emphasis of Matter on the same in their Audit Report

57 Update on subsidiary

a) Notedome Limited, UK:

On October 20, 2025, AMCHEM Speciality Chemicals Private Limited, Singapore, a wholly owned subsidiary of the Holding Company, entered into a Share Purchase Agreement with M/s Chimica Organica Industriale Milanese (C.O.I.M.) for the sale of its 100% investment in wholly owned subsidiary Notedome Limited, UK, along with its subsidiary Notedome Europe GmbH.

Pursuant to the approval of shareholders of Manali Petrochemicals Limited, the sale of Notedome Limited, along with its subsidiary Notedome Europe GmbH, by AMCHEM Speciality Chemicals Private Limited has been consummated on 17th November 2025. Consequently, Notedome Limited and Notedome Europe GmbH are ceased to be step-down subsidiaries of Manali Petrochemicals Limited from 17th November 2025, and the net Assets and goodwill of Notedome Limited, measured at their respective carrying values, have been derecognised.

b) Penn Globe Limited, UK & PennWhite Print Solutions Limited, UK:

(i) Penn Globe Limited, an erstwhile wholly owned subsidiary of AMCHEM Speciality Chemicals Private Limited, Singapore was voluntarily struck off as part of group's restructuring process in the earlier year. However, during the year, the Penn Globe Limited was restored in UK on a strictly time-limited basis solely for the specific and limited purpose of enabling an application for the reinstatement of its subsidiary, PennWhite Print Solutions Limited ("PPSL"), to facilitate the receipt and distribution of any proceeds arising exclusively from Corporation Tax refunds due to PPSL.

(ii) During the year, PPSL was also restored for the above-mentioned purpose. The consolidated financial statements do not consider the impact of this corporate action by the Subsidiary, as it does not have any material impact on the Group's financial position as on 31st March 2026.

c) Manali Speciality Private Limited:

During previous year, the Holding company made an additional equity investment of ₹8.50 lakh in its wholly owned Subsidiary Manali Speciality Private Limited which is yet to commence its business.

d) Pennwhite India Private Limited, India:

During the year, the one of the subsidiaries of the Holding company made an addtional equity investment of ₹1,775 lakh in its wholly owned Subsidiary Pennwhite India Private Limited.

58 Audit Trail and Daily backup

The Group has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software and no instance of audit trail feature being tampered with was noted at the application layer with respect to the accounting software. Further, the Audit Trail has been preserved by the Group as per the statutory requirements for record retention.

Daily backup, as per the Companies (Accounts) Fourth Amendment Rules, 2022, a backup of the books of account and papers maintained in electronic mode is being kept on servers physically located in India on a daily basis.

59 Regrouping

Previous year figures have been regrouped, wherever necessary to confirm with the current year's presentation and disclosure.

60 Approval of Consolidated Financial Statements

The consolidated financial statements of Manali Petrochemicals Limited were reviewed by Audit Committee and approved by the Board of Directors at their respective meetings held on May 21, 2026.

As per our report of even date attached

For **Brahmayya & Co.,**
Chartered Accountants
Firm Registration No. 000511S

Lokesh Vasudevan
Partner
Membership No. 222320

For and on behalf of the Board of Directors

Ashwin C. Muthiah
Chairman
(DIN: 00255679)

R. Chandrasekar
Managing Director & CEO - MPL Group
(DIN: 06374821)

Place: Chennai / London
Date: May 21, 2026

Srishti M. Bathija
Chief Financial Officer - MPL Group

G. Sri Vignesh
Company Secretary

Form AOC-I

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures)

Part'A'- Subsidiary

Particulars	AMCHEM Speciality Chemicals Private Limited, Singapore (Reg. No. 201534952W)		Penn-White Limited, UK (Reg. No. 05436576)		Notedome Limited, UK (Reg. No. 01326364)		Notedome Europe GmbH, Germany (Reg. No. HRB254546)		Pennwhite India Private Limited, India (CIN:U20299TN2024 PTC167348)	Manali Speciality Private Limited, India (CIN:U20299TN2023 PTC161402)
	31st March 2026		31st March 2026		17th November, 2025		17th November, 2025		31st March 2026	31st March 2026
	Rupees in Lakh*	In USD	Rupees in Lakh*	In GBP	Rupees in Lakh*	In GBP	Rupees in Lakh*	In EURO	Rupees in Lakh*	Rupees in Lakh
Capital	48,672	5,14,21,208	0	136	-	-	-	-	2,475	10
Reserves	22,284	2,35,42,115	10,679	85,00,429	-	-	-	-	(608)	(2)
Total Assets	71,015	7,50,25,640	13,953	1,11,06,141	-	-	-	-	2,385	8
Total Liabilities	59	62,317	3,274	26,05,577	-	-	-	-	518	0
Investments	30,519	3,22,42,362	2,782	22,14,746	-	-	-	-	-	-
Turnover (inc other income)	13,494	1,52,80,614	16,119	1,36,09,928	7,312	61,73,630	45	44,260	356	0
Profit/(Loss) before Tax	11,475	1,29,93,865	3,453	29,15,923	1,988	16,78,211	(1)	(710)	(495)	(1)
Provision for Taxation	46	51,852	855	7,21,529	412	3,48,197	-	-	-	-
Profit/(Loss) after Tax	11,429	1,29,42,013	2,599	21,94,394	1,575	13,30,014	(1)	(710)	(495)	(1)
% of shareholding	100%		100%@		100%@		100%#		100%^	100%
Year since when subsidiary was acquired / incorporated	09/2015		11/2022		10/2016		07/2023		02/2024	06/2023

***Translated at exchange rate prevailing as on 31.03.2026**

1 USD = ₹94.6543

1 GBP = ₹125.6347

1 EUR = ₹109.0064

@Held by AMCHEM Speciality Chemicals Private Limited, Singapore

#Held by Notedome Limited, UK

^Held by Penn White Limited, UK

Notes:

1. Notedome Limited, UK & Notedome Europe GmbH, Germany were ceased to be subsidiaries w.e.f. 17th November, 2025.
2. The Holding Company does not have any associate company / joint venture.
3. All the subsidiaries mentioned above are as per Section 2(87)(ii) of the Companies Act, 2013
4. Manali Speciality Private Limited is yet to commence operations.

As per our report of even date attached

For **Brahmayya & Co.,**
Chartered Accountants
Firm Registration No. 000511S

Lokesh Vasudevan
Partner
Membership No. 222320

Place: Chennai / London
Date: May 21, 2026

For and on behalf of the Board of Directors

Ashwin C. Muthiah
Chairman
(DIN: 00255679)

R. Chandrasekar
Managing Director & CEO - MPL Group
(DIN: 06374821)

Srishti M. Bathija
Chief Financial Officer - MPL Group

G. Sri Vignesh
Company Secretary

Notes

For the kind attention of Shareholders

For participation in AGM

- You can attend the AGM using your remote e-Voting credentials.
- Once you log in the link for joining the meeting will be available and you can click the EVSN of Company to proceed further.

  The facility to join the meeting will be available between 4.45 PM (IST) to 5.15 PM (IST) on the AGM day (28th September 2026).
- Please use Laptops/Desktops/IPads for better experience. You can also join through other devices such as mobile phones. To avoid disturbance, please ensure that the internet connectivity is good.
- It has been reported that participants 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.
- To register as a speaker at the meeting please visit https://investors.cameoindia.com/, the web portal of the Registrar & Transfer Agent M/s Cameo Corporate Services Limited.
- Registration will be open from 9:00 AM (IST) on Monday, 21st September 2026 to 5:00 PM (IST) on Friday, 25th September 2026.

  There will be no option for spot registration and so only those shareholders who have registered through the above process will be able to speak at the meeting.
- There is no provision for appointment of proxies to attend the meeting.
- Please do not permit any other person to use your log-in credentials, as it would be a violation of the provisions of the Companies Act, 2013 and the Rules made there under.
- You can participate in the meeting even if you have voted through the remote e-Voting.

Dividend payment and tax deduction

- Payment of Dividend will be made only in electronic mode from 01st April 2024 to ensure timely credit of the dividend please register your bank account details well in advance. No dividend warrants will be issued.
- For details related to tax deduction from dividend, please refer Page No.12 of this Annual Report.
- The facility for providing the tax related declaration for Dividend 2025-26 will be available until 29th September 2026, 5:00 PM (IST). Any information submitted after this date will not be considered by RTA.

Detailed information on the above are available in Pages 11 to 21 which may kindly be referred to. For any further details please contact the RTA.

Manali Petrochemicals Limited

Registered Office:

SPIC House, 88, Mount Road, Guindy, Chennai - 600 032

CIN: L24294TN1986PLC013087
Telefax: 044-22351098
Email: companysecretary@manalipetro.com
Website: www.manalipetro.com

www.sapprints.com