# CITICHEM™ INDIA LIMITED

512, Yogeshwar Premises, 5th Floor, 135 Kazi Sayed Street, Masjid Bunder (W), Mumbai - 400 003
Email.: marketing@citichemindia.com Website : www.citichemindia.com Tel.: 022 - 49732489
CIN : U24100MH1992PLC065975 ISIN : INEOA8401016 GST No. 27AACCC9682M1ZZ
fssai Central Lic. No. 11519018000620 State Lic. No 10020022010907 Pharma Lic. No. MH - TZS - 335245


**7th September, 2026**

To,
BSE Limited
Phiroze Jeejeebhoy Towers, 21st Floor
Dalal Street, Mumbai-400001

Dear Sir/Madam,

Sub: **ANNUAL REPORT FOR THE FINANCIAL YEAR 2025-26**

Pursuant to Regulations 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith, copy of Annual Report for the financial year 2025-26 of 34th Annual General Meeting of the Members of the Company scheduled to be held on Wednesday, 30th September, 2026 at 03:00 p.m. (IST) at Imperial Lounge (NSCI), The National Sports Club of India, Lotus Colony, Worli, Mumbai 400018. The Annual Report is also uploaded on the website of the Company at www.citichemindia.com

| Sr. No. | Particulars | Details |
|---|---|---|
| 1. | AGM Details | Day-Wednesday<br>Date-30.09.2026<br>Time-03:00 p.m. (IST)<br>Place- Imperial Lounge (NSCI), The National Sports Club of India, Lotus Colony, Worli, Mumbai 400018 |
| 2 | Cut-off date for e-voting | Wednesday, 23rd September, 2026 |
| 3 | Remote e-voting start time, day and Date | 9:00 a.m. (IST), Sunday, 27th September, 2026 |
| 4 | Remote e-voting end time, day and Date | 5:00 p.m. (IST), Tuesday, 29th September, 2026 |

Kindly take the same on you records.
Thanking You
Yours faithfully,
For, **Citichem India Limited**

Khyati.Sheth.

**Khyati Palash Sheth**
**Company Secretary And Compliance Officer**
**Membership No.: ACS74357**

# CITICHEM INDIA LIMITED

**7, Floor-1, Plot-96, Dharam Jyoti, Kazi Sayed Street, Khand Bazar, Masjid Station, Mandvi, Mumbai- 400003**
**Email: marketing@citichemindia.com Website: www.citichemindia.com Tel: 022- 49732489**
**CIN : U24100MH1992PLC065975 ISIN : INE0A8401016 GSTIN : 27AACCC9682M1ZZ**
**Fssai Central Lic. No 11519018000620 State Lic No. 10020022010907 Pharma Lic No. MH – TZS – 335245**

## NOTICE OF 34TH ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT 34TH ANNUAL GENERAL MEETING OF THE MEMBERS OF CITICHEM INDIA LIMITED ("THE COMPANY") WILL BE HELD ON WEDNESDAY, 30TH SEPTEMBER, 2026, AT 3:00 P.M. (IST) AT IMPERIAL LOUNGE (NSCI), THE NATIONAL SPORTS CLUB OF INDIA, LOTUS COLONY, WORLI, MUMBAI 400018 TO TRANSACT THE FOLLOWING BUSINESS:**

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31st, 2026 together with and the report of the Board of Directors and Auditors thereon.
2. To elect a director in place of Mr. Wasim Nisar Rizvi (DIN:08651434), who retires by rotation and being eligible, offers himself for reappointment.

**For & On Behalf of the Board of Directors**
**CITICHEM INDIA LIMITED**
**Sd/-**
**ARIF ESMAIL MERCHANT**
**(Managing Director)**
**(DIN:- 00500363)**

**Date: 02/09/2026**
**Place: Mumbai**

**Notes:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, not less than 48 hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc, must be supported by appropriate resolutions /authority as applicable. A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as proxy for any other person or shareholder. The appointment of proxy shall be in the FORM No. MGT-11 annexed herewith.

2. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM and to vote through remote e-Voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to legal@krassociates.in with a copy marked to evoting@kfintech.com.

3. As required under SS - 2 for General Meetings Route Map for the venue of AGM is enclosed. Members are requested to handover the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID Numbers for identification. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.

4. As per SEBI vide its notification dated January 24, 2022 and Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents KFIN Technologies Limited (KFINTECH).

5. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. issue of duplicate securities certificate; claim from unclaimed suspense account;

renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at https://citichemindia.com/ and on the website of the Company's Registrar and Transfer Agents, KFINTECH www.kfintech.com. It may be noted that any service request can be processed only after the folio is KYC Compliant.

6. In line with the aforesaid Ministry of Corporate Affairs (MCA) Circulars and SEBI Circulars, the Notice of AGM is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Member may note that Notice has been uploaded on the website of the Company at https://citichemindia.com/. The Notice can also be accessed from the websites of the Stock Exchange i.e., BSE Limited at www.bseindia.com and is also available on the website of KFINTECH (agency for providing the Remote e-Voting facility) i.e. https://evoting.kfintech.com.

7. Members holding shares in electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.

8. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.

9. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agents (KFINTECH).

10. Members holding shares in the same name under different ledger folios are requested to apply for consolidation of such folios and send the relevant share certificates to KFINTECH, Share Transfer Agents of the Company for their doing the needful.

11. Members are requested to send their queries at least 7 days before the date of meeting by way of email to cs@citichemindia.com so that information can be made available at the meeting.

12. All documents referred in the notice are open for inspection at the Registered Office of the Company.

13. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the company and correspond directly with the Registrars regarding share transfer/transmission / transposition, demat / remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.

14. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/ her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form and to their respective depository participant, if held in electronic form.

**PROCEDURE FOR REMOTE E-VOTING:**

i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFintech, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.

ii. However, in pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.

iii. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.

iv. The remote e-Voting period commences on Sunday, 27$^{th}$ September,2026 from 9:00 a.m. (IST) and ends on Tuesday, 29$^{th}$ September,2026 at 5:00 p.m. (IST).

v. The facility for ballot voting shall be made available at the meeting and the members attending the meeting who have not cast their vote by remote e-Voting shall be able to vote at the meeting through ballot paper.

vi. The Company has engaged the services of KFINTECH as the Agency to provide e-Voting facility.

vii. The members who have cast their vote by remote e-Voting may also attend the meeting but shall not be entitled to cast their vote again.

viii. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. Wednesday, 23$^{rd}$ September,2026.

ix. The Board of Directors of the Company has appointed Mr. Krishna Shyam Sunder Rathi, Krishna Rathi & Associates, Practicing Company Secretaries (FCS 9359; C.P No.10079) as scrutinizer to scrutinize the ballot and remote e-Voting process to ensure fairness and transparency.

x. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@Kfintech.com. However, if he / she is already registered with KFintech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.

xi. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode."

**xii. The details of the process and manner for remote e-Voting and e-AGM are explained herein below:**

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

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

**Step 3 :** Access to join virtual meetings(e-AGM) of the Company on KFin system to participate e-AGM and vote at the AGM.

**Details on Step 1 are mentioned below:**

**I) Login method for remote e-Voting for Individual shareholders holding securities in demat mode.**

| Type of shareholders | Login Method |
|---|---|
| **Individual Shareholders holding securities in demat mode with NSDL** | **1. User already registered for IDeAS facility:**<br>i. Visit URL: https://eservices.nsdl.com<br>ii. Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section.<br>iii. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting"<br>iv. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.<br><br>**2. User not registered for IDeAS e-Services**<br>I. To register click on link : https://eservices.nsdl.com<br>II. Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp<br>III. Proceed with completing the required fields.<br>IV. Follow steps given in points 1<br><br>**3. Alternatively by directly accessing the e-Voting website of NSDL**<br>I. Open URL: https://www.evoting.nsdl.com/ |

| | |
|---|---|
| | II. Click on the icon "Login" which is available under 'Shareholder/Member' section.<br>III. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen.<br>IV. Post successful authentication, you will requested to select the name of the company and the e-Voting Service Provider name, i.e.KFintech.<br>**V.** On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period. |
| Individual Shareholders holding securities in demat mode with CDSL | **1. Existing user who have opted for Easi / Easiest**<br>I. Visit URL: https://web.cdslindia.com/myeasitoken/home/login OR URL: www.cdslindia.com<br>II. Click on New System Myeasi<br>III. Login with your registered user id and password.<br>IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal.<br>V. Click on e-Voting service provider name to cast your vote.<br>**1.**<br>**2. User not registered for Easi/Easiest**<br>I. Option to register is available at https://web.cdslindia.com/myeasitoken/home/login OR URL: www.cdslindia.com<br>II. Proceed with completing the required fields.<br>III. Follow the steps given in point 1<br><br>3. Alternatively, by directly accessing the e-Voting website of CDSL<br>I. Visit URL: www.cdslindia.com<br>II. Provide your demat Account Number and PAN No.<br>III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account.<br>IV. After successful authentication, user will be provided links for the respective ESP, i.e KFintech where the e- Voting is in progress. |
| Individual Shareholder login through their demat accounts / Website of Depository Participant | I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility.<br>II. Once logged-in, 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.<br>III. Click on options available against company name or e-Voting service provider – Kfintech and you will be redirected to e-Voting website of KFintech for casting your vote during the remote e-Voting period without any further authentication. |

**Important note:** Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

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

| Login type | Helpdesk details |
|---|---|
| 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 |

| | |
|---|---|
| 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 22 55 33 |

**Details on Step 2 are mentioned below:**

**II) Login method for e-Voting for shareholders other than Individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

(A) Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

i. Launch internet browser by typing the URL: https://evoting.kfintech.com/

ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.

iii. After entering these details appropriately, click on "LOGIN".

iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the "EVEN" and click on "Submit"

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.

ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

x. You may then cast your vote by selecting an appropriate option and click on "Submit".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting. Together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id legal@krassociates.in with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name_Even No."

(B) Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:

**Procedure for Registration of email and Mobile: securities in physical mode**

Physical shareholders are hereby notified that based ion SEBI Circular number:

SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37, dated March 16$^{th}$, 2023, All holders of physical securities in listed companies shall register the postal address with PIN for their corresponding folio numbers. It shall be mandatory for the security holders to provide mobile number. Moreover, to avail online services, the security holders can register e-mail ID. Holder can register/update the contact details through submitting the requisite ISR 1 form along with the supporting documents.

ISR 1 Form can be obtained by following the link: https://ris.kfintech.com/clientservices/isc/isrforms.aspx

ISR Form(s) and the supporting documents can be provided by any one of the following modes.

a) Through 'In Person Verification' (IPV): the authorized person of the RTA shall verify the original documents furnished by the investor and retain copy(ies) with IPV stamping with date and initials; or

b) Through hard copies which are self-attested, which can be shared on the address below; or

| | |
|---|---|
| **Name** | KFIN Technologies Limited |
| **Address** | Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana India - 500 032. |

c) Through electronic mode with e-sign by following the link: https://ris.kfintech.com/clientservices/isc/default.aspx#

Detailed FAQ can be found on the link: https://ris.kfintech.com/faq.html

For more information on updating the email and Mobile details for securities held in electronic mode, please reach out to the respective DP(s), where the DEMAT a/c is being held.

iii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

**OTHER INSTRUCTIONS**

I. Post your Question: The Members who wish to post their questions prior to the meeting can do the same by visiting https://emeetings.kfintech.com. Please login through the user id and password provided in the mail received from Kfintech.

II. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of https://evoting.kfintech.com (KFintech Website) or contact Mr. Anandan, at evoting@kfintech.com or call KFintech's toll free No. 1-800-309-4001 for any further clarifications.

III. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Thursday, 24th September,2026 being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

IV. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:

If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.kfintech.com/ , the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

- Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com.

- If the mobile number of the Member is registered against Folio No. / DP ID Client ID, the Member may send SMS : MYEPWD <space> E-Voting Event number+ Folio No. (in case of physical shareholders) or DP ID Client ID (in case of Demat shareholders) to 9212993399.

| | |
|---|---|
| Example for NSDL | MYEPWD <SPACE> IN12345612345678 |
| Example for CDSL | MYEPWD <SPACE> 1402345612345678 |
| Example for physical | MYEPWD <SPACE> XXX1234567890 |

V. The results of the electronic voting shall be declared to the Stock Exchanges after the AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company.

**For & On Behalf of the Board of Directors**
**CITICHEM INDIA LIMITED**
**Sd/-**
**ARIF ESMAIL MERCHANT**
**(Managing Director)**

**(DIN:- 00500363)**

**Date: 02/09/2026**
**Place: Mumbai**

## ANNEXURE A TO THE NOTICE

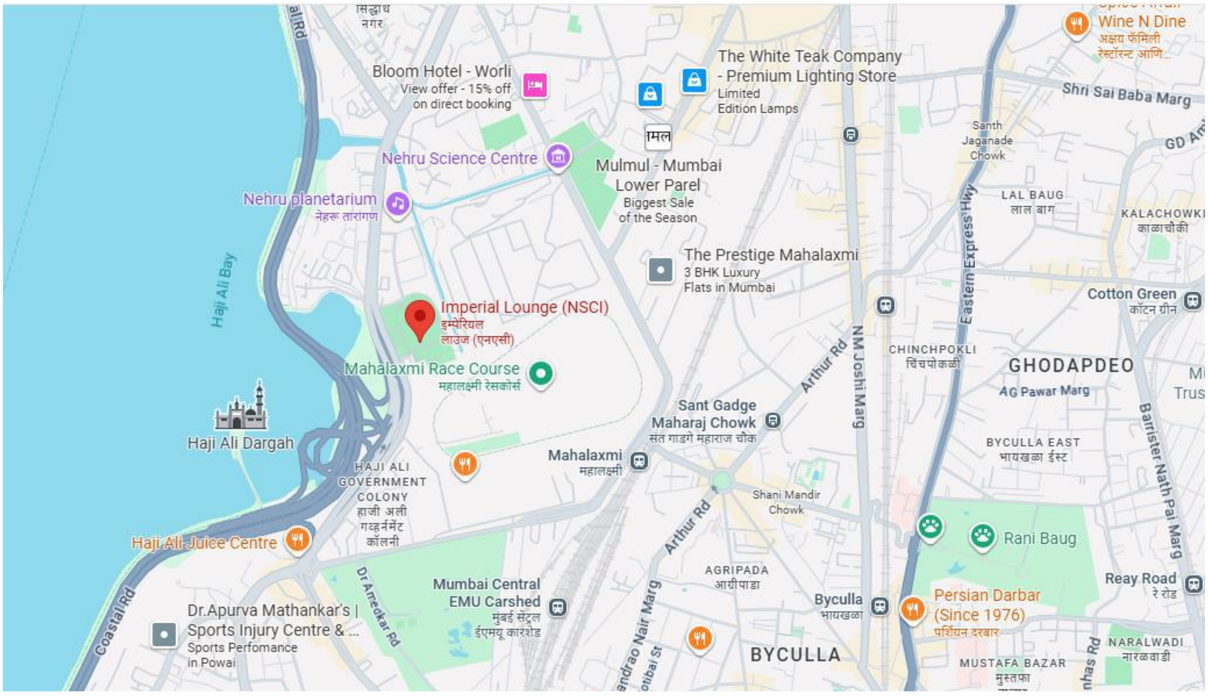
**Details of Directors seeking Appointment/Reappointment at the 34th Annual General Meeting pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-II issued by the Institute of Company Secretaries of India ("ICSI") are as under:**

| **Name of Director** | **Wasim Nisar Rizvi** |
|---|---|
| DIN No. | 08651434 |
| Date of Birth | 26/11/1983 |
| Age | 42 years |
| Date of Appointment | 01/04/2021 |
| Experience | More than 5 years in the field of sourcing and supply of organic, inorganic and speciality chemicals. |
| Qualification | Under Graduate |
| Chairman / Directorship in other Company | Nil |
| Chairman/Member of Committees of the Board of Companies of which she or she is a Director. | Nil |
| Chairman of Committees of other Companies | Nil |
| Member of Committees of other Companies | Nil |
| No. of Equity shares held | Nil |
| Brief profile and nature of their expertise in specific functional areas. | Mr. Wasim Nisar Rizvi, aged 42 years has more than 5 years of experience in sourcing and supply of organic, inorganic and speciality chemicals. He is associated with our company since April 01, 2021. |
| Number of meetings of the Board attended during the year 2025-26 | 05 |
| Relationship with Other Directors, Manager and other Key Managerial Personnnel | Nil |

| | |
|---|---|
| Current remuneration (last drawn remuneration) | Nil |
| Details of remuneration sought to be paid | Nil |
| Key terms and conditions of appointment | Non Executive Director |

Mr. Wasim Nisar Rizvi is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI) or any other authority.

**ROUTE MAP**



# CITICHEM INDIA LIMITED

**CIN: U24100MH1992PLC065975**
REGD. OFF.: 7, FLOOR-1, PLOT-96, DHARAM JYOTI, KAZI SAYED STREET, KHAND BAZAR, MASJID STATION, MANDVI, MUMBAI - 400003
Email: citichemindialtd@gmail.com Website: www.citichemindia.com
Telephone No. 022-49732489

**Form No. MGT-11**
**Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : U24100MH1992PLC065975
Name of the company : Citichem India Limited
Registered Office : 7, Floor-1, Plot-96, Dharam Jyoti, Kazi Sayed Street, Khand Bazar, Masjid Station, Mandvi, Mumbai-400003.

Name of the member(s) :
Registered Address :
E-mail Id :
Folio No./Client Id :
DP ID :

I/We, being the member (s) of …………. shares of the above-named company, hereby appoint 1.

Name : ……………………………………………………………………………………..................

Address : ……………………………………………………………………………………..................

E-mail Id : ……………………………………………………………………………………..................

Signature: …………………………………………………………....…………….., or failing him

2. Name : ……………………………………………………………………………………..................

Address : ……………………………………………………………………………………..................

E-mail Id : ……………………………………………………………………………………..................

Signature: …………………………………………………………....…………….., or failing him

3. Name : ……………………………………………………………………………………..................

Address : ……………………………………………………………………………………..................

E-mail Id : ……………………………………………………………………………………..................

Signature: …………………………………………………………....…………….., or failing him as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on **Wednesday, 30th September 2026 at 3.00 PM (IST)** at Imperial Lounge (NSCI) The National Sports Club of India Lotus Colony, Worli, Mumbai 400018 and at any adjournment thereof in respect of such resolutions as are indicated below:

| **Sr. No** | **Type of resolution Special/Ordinary** | **Resolutions** |
|---|---|---|
| 1 | Ordinary | To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31st, 2026 together with and the report of the Board of Directors and Auditors thereon. |
| 2 | Ordinary | To elect a director in place of Mr. Wasim Nisar Rizvi (DIN:08651434), who retires by rotation and being eligible, offers himself for reappointment. |

Signed this ……. day of………… 2026

Signature of shareholder

Affix
Revenue
Stamp

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

-----------------------------------------------------------------------------------------------------------------

**CITICHEM INDIA LIMITED,**
MUMBAI- 400003

**ATTENDANCE SLIP**
(Please present this slip at the Meeting venue)

I hereby record my presence at the Annual General Meeting of the members of the Company to be held on Wednesday, 30th September 2026 at 3.00 PM at Imperial Lounge (NSCI) The National Sports Club of India Lotus Colony, Worli, Mumbai 400018 and at any adjourned meeting thereof.

Shareholders/Proxy's Signature______________________________________

Shareholders/Proxy's full name______________________________________

(In block letters)

Folio No./ Client ID________________________________________________

No. of shares held _________________________________________________

**Note:** Shareholders attending the meeting in person or by proxy are required to complete the attendance slip and hand it over at the entrance of the meeting hall.

## BOARD'S REPORT

**To,**
**The Members**
The Board of Directors ("the Board") are pleased to present the 34th Annual Report of Citichem India Limited ("the Company") together with Audited Financial Statements of the Company for the Financial Year ("FY") ended March 31, 2026.

### 01. FINANCIAL HIGHLIGHTS:

**[Amount in INR)**

| Particulars | FY 2025-26 | FY 2024-25 |
|---|---|---|
| Net Sales/ Income from Operation | 9,47,82,071 | 18,69,53,623 |
| Other Income | 6,00,23,621 | 36,03,93,440 |
| **Total Income** | **15,48,05,692** | **54,73,47,063** |
| Profit before interest, Depreciation & Tax | 2,01,82,309 | 1,97,59,699 |
| Less Interest (Financial Cost) | 58,36,947 | 30,61,130 |
| Depreciation | 6,03,233 | 70,049 |
| **Profit/Loss Before Exceptional Item &Tax Exp.** | **1,37,42,130** | **1,66,28,519** |
| Add/Less Exceptional Items | 0 | 0 |
| **Profit/Loss Before Tax** | **1,37,42,130** | **1,66,28,519** |
| Less Current tax | 35,00,000 | 44,00,000 |
| Deferred Tax | 2,27,953 | (58, 611) |
| **Net Profit/Loss after tax** | **1,00,14,177** | **1,22,87,130** |
| **Total Comprehensive Income/loss** | **0** | **0** |
| **Total** | **1,00,14,177** | **1,22,87,130** |
| ***EPS (Basic)*** | **1.47** | **2.26** |
| ***EPS (Diluted)*** | **1.47** | **2.26** |

### 02. DIVIDEND

Your directors have not recommended any dividend for the year. This is mainly to preserve financial resources of the Company.

### 03. TRANSFER TO RESERVES

The Company has earned profit of Rs.1,00,14,177/- during the Financial Year. The entire amount has been transferred to General Reserve. As a result the Balance of Reserve and Surplus remain at Rs. 14,30,05,595 at the end of the year.

## 04. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There has been no change in the nature of the Business of the Company.

## 05. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN BALANCE SHEET DATE AND DATE OF BOARD'S REPORT:

In terms of Section 134(3)(l) of the Companies Act, 2013, there have not been any material changes and commitments affecting the financial position of the Company which have occurred during the financial year ended on 31$^{st}$ March 2026 and between the end of the financial year and the date of this Report.

## 06. STATE OF COMPANY'S AFFAIRS AND REVIEW OF BUSINESS OPERATIONS & FUTURE PROSPECTS:

During the year under review, the Company has generated revenue of Rs.9,47,82,071 from operations as compared to Rs.18,69,53,623.Profit after tax decreased from Rs. 1,22,87,130 in FY 2024-25 to Rs. 1,00,14,177 in FY 2025-26. Earnings per share have decreased from Rs. 2.26 per share in the FY 2024-25 to Rs. 1.47 per share in FY 2025-26.

## 07. SHARE CAPITAL AND CHANGE THEREIN

**Authorised Share Capital**

The Authorised Share Capital of the Company as on end of the Financial year is remain at Rs. 7,50,00,000/- consisting of 75,00,000 Equity Shares of Rs.10/- each.

**Issued, Subscribed and Paid-Up Share Capital**

**Equity Share Capital**

The Authorised Share Capital of the Company as on end of the Financial year is remain at Rs. 6,80,00,000/- consisting of 68,00,000 Equity Shares of Rs.10/- each.

**Preference Share Capital**

Your Company has not issued any Preference Shares during the year under review.

***Buy Back of Securities***

Your Company has not bought back any of its securities during the year under review.

***Sweat Equity***

Your Company has not issued any Sweat Equity Shares during the year under review.

***Bonus Shares***

Your Company has not issued any Bonus Shares during the year under review.

***Employee Stock Option Plan***

Your Company has not provided any Stock Option Scheme to the employees.

## 08. DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT AND CHANGE THEREIN

During the year under review, there were no changes in the composition of the board of directors and KMP of the company.

**At the end of the year following are the directors of the company**

| Sr. No. | Name of Directors | Designation |
|---|---|---|
| 1 | Mr. Arif Esmail Merchant | Managing Director |
| 2 | Mr. Hashim Arif Merchant | Director |
| 3 | Mr. Wasim Nisar Rizvi | Non – Executive Director |
| 4 | Ms. Valentina Priyanka Ekberth Creado | Independent Director |
| 5 | Mr. Vijay Kumar Bhatt | Independent Director |

Pursuant to the provisions of Sections 2(51) and 203 of the Act read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following persons were acting as Key Managerial Personnel of the Company as on 31$^{st}$ March, 2026:

i. Ms. Farheen Ansari, Chief Financial officer
ii. Ms. Ms. Khyati Palash Sheth, Company Secretary

During the year under review, the Board of Directors at its meeting held on 10$^{th}$ April,2025 has appointed Ms. Khyati Palash Sheth as Company Secretary and Compliance officer of the Company.

Based on the confirmation received from the Directors, neither of these Directors are disqualified under Section 164(2) of the Act.

## 09. INDEPENDENT DIRECTORS

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with sub rule (1) and sub rule (2) of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the SEBI Listing Regulations and they are independent of the management and they have complied with the code for Independent prescribed in Schedule IV of the Act.

The Board is of the opinion that the all Directors including the Independent Directors of the Company possess requisite qualifications, experience and expertise in their relative fields and that they hold highest standards of integrity.

## 10. OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING PROFICIENCY) OF THE INDEPENDENT DIRECTORS:

The Board is of the opinion that the Independent Directors of the Company are professionally qualified and well experienced in their respective domains and meet the criteria regarding integrity, expertise, experience and proficiency. Their qualifications, specialized domain knowledge, strategic thinking, decision making and vast experience in varied fields has immensely contributed in strengthening the Company's processes to align the same with good industry practices.

## 11. FORMAL ANNUAL EVALUATION

Pursuant to the provisions of Section 134(3)(p) of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own, the Chairperson, Board's Committees, as well as, Directors individually including performance of Independent Directors, after seeking inputs from all the Directors/Committee members and finds it satisfactory. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

Your Company has also received declaration from all the Directors and senior management personnel on compliance of Code of Conduct as, formulated by the Company.

## 12. BOARD AND COMMITTEE MEETINGS

Board meetings are conducted in accordance with the provisions of the Companies Act, 2013 (hereinafter referred as "the Act") read with Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "the SEBI Listing Regulations") and Secretarial Standard-1.

The Board meets at regular intervals (at least once in a calendar quarter) to discuss and decide on business strategies/policy and review the financial performance of the Company.

During the year 2025-26, 5 Board Meetings were held, and the intervening gap between the meetings was within the period prescribed under the Act, Secretarial Standard-1 and the SEBI Listing Regulations, including relaxations/extensions as time to time provided by the Ministry of Corporate affairs and Securities and Exchange Board of India. The dates on which the said meetings were held are as follows:

| **Sr.No** | **Date of Meeting** | **No of Directors entitled to attend the meeting** | **No of Directors present at the meeting** |
|---|---|---|---|
| 1. | 10/04/2025 | 05 | 05 |
| 2. | 30/05/2025 | 05 | 05 |
| 3. | 06/09/2025 | 05 | 05 |
| 4. | 14/11/2025 | 05 | 05 |
| 5. | 21/01/2026 | 05 | 05 |

**Details of Committee Meetings of Board of Directors**

The Company has duly constituted the following mandatory Committees in terms of the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time viz.

a. Audit Committee;
b. Nomination and Remuneration Committee;
c. Stakeholders Relationship Committee and

These are briefly enumerated as under:

**a. <u>Audit Committee:</u>**

The Audit Committee is duly constituted in accordance with Section 177 of the Act read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014. It adheres to the terms of reference, prepared in compliance with Section 177 of the Act, and the SEBI Listing Regulations to the extent applicable. The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The Committee acts as a link between the Management, the Statutory Auditors, the Internal Auditors, Secretarial Auditors and the Board of Directors.

The Audit Committee comprises of three Directors, all of whom are Non-Executive Independent Directors. All the members of Audit Committee are financially literate and bring in expertise in the fields of finance, taxation, economics, risk and international finance. The Audit Committee seeks to ensure both corporate governance and provides assistance to the Board of Directors in fulfilling the Board's overall responsibilities.

| **Sr.No** | **Name of Members** | **Designation** |
|---|---|---|
| 1. | Mr. Vijay Kumar Bhatt | Chairman |
| 2. | Ms. Valentina Priyanka Creado | Member |
| 3. | Mr. Wasim Nisar Rizvi | Member |

The Company Secretary and Compliance Officer of the Company will act as the Secretary to the Audit Committee.

**The scope of Audit Committee shall include but shall not be restricted to the following:**

- Oversight of the Issuer's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to: Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
- Reviewing, with the management, the half yearly financial statements before submission to the board for approval.

- Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower mechanism.
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.

**Audit Committee Meetings and Attendance**

During the Financial Year 2025-26, Two meetings of the Audit Committee were held and were attended by all the Directors. The necessary quorum was present in all the meetings. The dates of the meetings are:

| Sr.No | Date of Meeting | No of members entitled to attend the meeting | No of members present at the meeting |
|---|---|---|---|
| 1. | 30/05/2025 | 03 | 03 |
| 2. | 14/11/2025 | 03 | 03 |

The Audit Committee invites such of the executives as it considers appropriate i.e. the head of the finance (CFO), Internal Auditor, representatives of the Statutory Auditors, Secretarial Auditors etc. to attend the Committee's meetings. All the recommendations of the Audit Committee were accepted by the Board during the year.

**b. Stakeholders' Relationship Committee:**

The Stakeholders Relationship Committee is duly constituted in accordance with Section 178(5) of the Act. The Stakeholders Relationship Committee is entrusted with the responsibility of addressing the shareholders'/ investors' complaints with respect to transfer, transmission of shares, issuance of duplicate share certificate, non-receipt of Annual Report, non-receipt of dividend etc.
This committee overlooks the performance of the Registrar and Share Transfer Agent and to recommend measures for overall improvement in the Quality of Investor services. The Company has always valued its customer relationships.

**Composition**

| Sr.No | Name of Members | Designation |
|---|---|---|
| 1. | Mr. Vijay Kumar Bhatt | Chairman |
| 2. | Ms. Valentina Priyanka Creado | Member |
| 3. | Mr. Wasim Nisar Rizvi | Member |

**Terms of reference of the Stakeholders' Relationship Committee are broadly as under**

The Stakeholders' Relationship Committee specifically looks into various issues of the Shareholders such as:

- Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
- Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.
- Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
- Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
- Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.
- Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and

**Stakeholders' Relationship Committee Meetings and attendance**

During the year 2025-26, two meeting of the committee were held on 10th April, 2025 and 21st January, 2026 and were attended by all members. The necessary quorum was present in the meeting. The Company Secretary of the Company acts as the Secretary of the Committee

During the Financial year under review, no complaint has been received.

**c. Nomination and Remuneration Committee**

The Nomination and Remuneration Committee has been constituted by the Company in terms of the provisions of Section 178 of the Act. The Nomination and Remuneration Committee reviews and recommends the payment of salaries, commission and finalizes appointment and other employment conditions of Directors, Key Managerial Personnel and other Senior Employees.

**Composition**

| Sr.No | Name of Members | Designation |
|---|---|---|
| 1. | Mr. Vijay Kumar Bhatt | Chairman |
| 2. | Ms. Valentina Priyanka Creado | Member |
| 3. | Mr. Wasim Nisar Rizvi | Member |

The Nomination and Remuneration Committee has been constituted in order to bring about objectivity in determining the remuneration package while striking a balance between the interest of the Company and the shareholders.

**Term of Reference**

The broad terms of reference of the Nomination and Remuneration Committee, as amended from time includes the following-

- Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
- Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for directors, KMPs and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights;
- Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
- Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
- Decide the amount of Commission payable to the Whole Time Directors;
- Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.; and
- To formulate and administer the Employee Stock Option Scheme.

**Nomination and Remuneration Committee Meetings and attendance –**
During the Financial Year 2025-26, two meetings were held on 10$^{th}$ April,2025, 6$^{th}$ September,2026 and 14$^{th}$ November,2025. All the Meetings were attended by all members. The necessary quorum was present in all the meetings.

T**his Nomination and Remuneration Policy (the "Policy")**

This Nomination and Remuneration Policy (the "Policy") applies to the Board of Directors (the "Board"), Key Managerial Personnel (the "KMP") and the Senior Management Personnel of Citichem India Limited (the "Company").

This Policy is in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and includes formal evaluation framework of the Board. The company's Nomination & Remuneration policy includes director's appointment and remuneration & criteria for determining qualifications, positive attributes, independence of Director.

The objective of this Policy is to serve as a guiding charter to appoint qualified persons as directors on the Board of Directors of the Company ("Directors"), Key Managerial Personnel (the "KMP"), persons who may be appointed in senior management positions ("SMP"), to recommend the remuneration to be paid to them and to evaluate their performance.

The policy has been placed on the Company's website and can be accessed at https://www.citichemindia.com/privacy-policy.

## 13. SEPARATE MEETING OF INDEPENDENT DIRECTORS

During the year under review, one Separate meeting of Independent Directors was held on 21st January, 2026.

## 14. LISTING ON STOCK EXCHANGES

The Equity Shares of the Company continue to remain listed on BSE Limited ("BSE"). The annual listing fees for the 2026-27 has been paid.

## 15. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(C) of the Companies Act, 2013, in relation to financial statements of the Company for the year ended 31st March, 2026 the Board hereby submits its Responsibility Statements that: -

a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

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

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

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

e) 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.

f) Internal financial controls (as required by explanation to section 134(5)(e) of the Act) is being followed by the Company and that such internal financial controls are adequate and were operating effectively;

## 16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT 2013

During the year under review, the Company has not given any loans or guarantee or provided security in connection with a loan nor it has acquired by way of subscription, purchase or otherwise the securities of any other body corporate.

## 17. UTILISATION OF PROCEEDS OF IPO Fund

The Company has utilized part proceeds of the IPO fund as per objects of the issue and the remaining amount has been kept as Fixed Deposit.

## 18. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has zero tolerance for sexual harassment at its workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at workplace.

Pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") and Rules made thereunder, the Company has formed an Internal Complaint Committee ("ICC") for its workplaces to address complaints pertaining to sexual harassment in accordance with the POSH Act. The Company has a detailed policy for prevention of sexual harassment at workplace which ensures a free and fair enquiry process with clear timelines for resolution.

During the Year under review, the details regarding complaints on sexual harassment are given as under.

| | | |
|---|---|---|
| a) | Number of complaints of sexual harassment received in the year | Nil |
| b) | Number of complaints disposed off during the year | NA |
| c) | Number of cases pending for more than ninety days | NA |

## 19. COMPLIANCE OF THE PROVISIONS RELATING TO THE MATERNITY BENEFIT ACT, 1961

During the FY 2025-26, the Company has implemented the policy for the benefit of the maternity in compliance of the provisions of the Maternity Benefit Act, 1961.

During the Year under review, there was no any application received for the maternity leave and for other benefits applicable under the Maternity Benefit Act, 1961.

## 20. BOARD DIVERSITY

The Company recognizes and embraces the importance of a diverse Board in its success. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors.

## 21. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

None of the employees of the Company was in receipt of the remuneration exceeding the limits prescribed u/s 197 (12) of the Act read with rule 5, sub-rule 2 of the

Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014(as amended) during the year under review.

Further none of the Directors have been paid any remuneration during the financial year, hence details in terms of sub section 12 of Section 197 of the Act read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not disclosed.

## 22. SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES

During the year under review, there was no Associate, Joint Venture and Subsidiary Company.

## 23. RELATED PARTY TRANSACTIONS

The Company has not entered into any related party transactions as defined under Section 188 of the Companies Act,2013. Hence requirement of disclosures of information as per form AOC-2 is not applicable to the Company.

## 24. DISCLOSURE ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo during the financial year as required to be disclosed pursuant to Section 134(3)(m) of the Act, read with Rule 8 of the Companies (Accounts) Rules 2014 is not applicable during the financial year.

## 25. ANNUAL RETURN

In accordance with the provisions of Section 134(3) of the Companies Act, 2013, the Annual Return, under Section 92 (3) of the Companies Act, 2013, is hosted on the website of the Company at https://www.citichemindia.com/annual-return.

## 26. CORPORATE SOCIAL RESPONSIBILITY (“CSR”) POLICY

Subject to the provisions of Section 135 and Schedule VII of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2015, the Company is not mandatorily required to undertake CSR initiatives. The report of the CSR activities is not applicable to the Company.

## 27. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a robust vigil mechanism through its whistle blower policy, approved and adopted by the Board of Directors of the Company in compliance with the provisions of Section 177(10) of the Act.

The policy also provides protection to the employees and Directors who report unethical practices and irregularities. Any incidents that are reported are investigated and suitable action is taken in line with the whistle blower policy. The employees are encouraged, to raise voice, for their concerns by way of whistle blowing and all the employees have been given access to Chairperson of the Audit Committee. It also provides adequate safeguards against victimization of Directors/ Employees who avail the mechanism and are free to report violations of applicable laws and regulations and the code of conduct. No personnel have been denied access to the Audit Committee pertaining to the Whistle Blower Policy. The Whistle Blower Policy is available on the following web link: https://www.citichemindia.com/privacy-policy.

## 28. RISK MANAGEMENT POLICY

The Risk Management Process is designed to safeguard the organization from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business. The potential risks are inventoried and integrated with the management process so that they receive the necessary consideration during decision making. It is dealt with in greater details in the management discussion and analysis section.

## 29. AUDITORS & THEIR REPORTS

### A) STATUTORY AUDITORS

M/s. NGST & Associates, Chartered Accountants (Firm Reg. No. 135159W) were appointed as Statutory Auditors for a term of 5 years the conclusion of 31st Annual General Meeting till the conclusion of 36th Annual General Meeting to be held in the year 2028.

M/s. NGST & Associates, have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder. As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the

Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Board has duly received the Statutory Auditor's Report on the financial Statements of the Company for the financial year ended March 31, 2025. The Report given by the Auditors on the financial statements of the Company is forming part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report and the observations made by the Auditors are self-explanatory and have been dealt with in Independent Auditors Report & its annexures and hence do not require any further clarification.

Further, the Auditors have not reported any incident of fraud in the Company for the year under review under section 143(12) of the Act.

**B) SECRETARIAL AUDITORS**

The Board of Directors of the Company has appointed Mrs. Kalpana Srinivasan, Practising Company Secretary as Secretarial Auditor of the Company to conduct secretarial audit of the secretarial records for the Financial Year 2025-26. A Secretarial Audit Report in Form MR-3 issued by Mrs. Kalpana Srinivasan in respect of the secretarial audit of the Company for the financial year ended 31st March, 2026 annexed to this Report and does not contain any qualification, reservation or adverse remark.

## 30. REPORTING OF FRAUD DURING THE YEAR UNDER REVIEW

During the FY 2025-26, The Auditors have not reported any instances of frauds committed in your Company by its officers or employees, to the Audit Committee under Section 143(12) of the Act details of which needs to be mentioned in this Report.

## 31. REPORT ON CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSIONS & ANALYSIS REPORT

The disclosure requirements as prescribed under Para C of the Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('LODR)' are not applicable to the Company pursuant to Regulation 15(2) of the LODR as the Company is listed on the SME Exchange.

In compliance with the Regulation 34 (2) of the SEBI Listing Regulations, the Management Discussion and Analysis Report giving details of overall industry structure, developments, performance and state of affairs of Company's business forms an integral part of this Report.

## 32. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

No significant and/or material orders were passed by any Regulator or Court or Tribunal impacting the going concern status and the Company's operation in future.

## 33. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's internal financial control framework is commensurate with the size and operations of the business and is in line with requirements of the Act. The Company has laid down Standard Operating Procedures and policies to guide the operations of the business. Unit heads are responsible to ensure compliance with the policies and procedures laid down by the management. Robust and continuous internal monitoring mechanisms ensure timely identification of risks and issues. The Management, Statutory and Internal Auditors undertake rigorous testing of the control environment of the Company. The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

## 34. UNCLAIMED EQUITY SHARES AND DIVIDEND AND TRANSFER OF FUND TO IEPF AUTHORITY

During the year under review, no amount was required to be transferred to Investor Education and Protection Fund (IEPF) as Company has not declared any dividend in the past.

## 35. SECRETARIAL STANDARDS

All the applicable secretarial standards issued by the Institute of Company Secretaries of India (ICSI) with respect to Board and General Meeting are being followed by the Company.

## 36. DEPOSITS

The Company has not accepted any fixed deposits, within the meaning of section 73 of the companies Act 2013, Read with the Companies (Acceptance of Deposits) Rules, 2014 during the period under review.

## 37. DETAILS OF LOANS AVAILED FROM DIRECTORS OR THEIR RELATIVES

During the FY 2025-26 the Company has not availed any loan from the Director or their relative of the Company.

## 38. PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 ("IBC")

There is no such proceeding or appeal pending under Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year and at the end of the financial year, even upto the date of this report.

## 39. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH REASONS THEREOF

No such instance of One-time settlement or valuation was done while taking or discharging loan from the Banks / Financial institutions occurred during the year.

## 40. REVISION IN FINANCIAL STATEMENT OR BOARDS REPORT

During the year under review, no revision in Financial Statement or Boards Report has been made pursuant to section 131 of the Companies Act, 2013.

## 41. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

As on the date of this Report, your Directors are not aware of any circumstances not otherwise dealt with in this Report or in the financial statements of your Company, which would render any amount stated in the Accounts of the Company misleading. In the opinion of the Directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report, which would affect substantially the result or the operations of your Company for the financial year in respect of which this report is made.

## 42. CAUTIONARY STATEMENT

Statements in the Annual Report, including those which relate to Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations, may constitute 'forward looking' statements within the meaning of applicable laws and regulations. Although the expectations are based on reasonable assumptions, the actual results might differ.

## 43. ACKNOWLEDGEMENTS

The Bankers and financial institutions have extended their full support, cooperation and valuable assistance to the Company. Your Directors place on record their appreciation for the same.

**For and on behalf of the Board of Directors of**
**Citichem India Limited**

| | |
|---|---|
| **SD/-** | **SD/-** |
| **Arif Esmail Merchant** | **Hashim Arif Merchant** |
| **Managing Director** | **Director** |
| **(DIN: 00500363)** | **(DIN: 03015945)** |

**Date: 02/09/2026**
**Place: Mumbai**

# MANAGEMENT DISCUSSION & ANALYSIS REPORT

## ➢ OVERVIEW:

The operating and financial review in this discussion pertains to the management's perspective on the financial condition as well as the operating performance of the Company for the FY 2025-26. The following discussion of the Company's financial performance result and operating results should be read in conjunction with the Company's Financial Statements and Notes thereto and other information included elsewhere in the Annual Report. The Company's Financial Statements were prepared in compliance with the requirements of the Companies Act, 2013.

## ➢ INDUSTRY STRUCTURE AND DEVELOPMENTS

The Company will be able to use much potential available now in the domestic market. Also, Promoters' rich experience in the said Industry and higher demand of goods in which the company deals in, is the best opportunity for the company to increase its market.

## ➢ COMPANY'S FINANCIAL PERFORMANCE AND DEVELOPMENTS

The Company's overall performance during the Financial Year 2025-26 was robust. However, the Company's Operations has been reduced.

## ➢ OPPORTUNITIES

Due to expansion of the trading base of the company, there will be substantial increase in demand of Company's products.

## ➢ THREATS

Due to highly competitive pressure in the market, the Company has to operate in this competitive scenario and acquire a grip in the market to hold its foot firmly and upkeep the brand name. Also, adverse change in the Government Policies may affect the business operations of the Company.

## ➢ INTERNAL CONTROL SYSTEMS

The Company has professional & adequate internal control systems which ensure protection against misuse or loss of the Company's assets. The Company deploys a robust system of internal control that facilitates the accurate and timely compilation of financial statements and management reports; ensures regulatory and statutory compliance and safeguards investor's interests by ensuring the highest level of governance and periodical communication with investors. The Companies Act, 2013 requires the Board of Directors and statutory auditors of the Company to comment on sufficiency and effectiveness of internal controls. The Company has appointed internal auditor to conduct internal audit and to ensure that all transactions are correctly authorized and reported. The reports are reviewed by the Audit Committee of the Board. The Audit Committee also reviews the effectiveness of the Company's internal control system which provides adequate safeguards & effective monitoring of its transactions.

## ➢ HUMAN RESOURCE DEVELOPMENT

Human Resource Development is paramount in every organization. The management continues to lay emphasis on identifying, developing the talent in the organization with a view to retain them and further training those who are capable of handling additional responsibilities. This works to increase employee satisfaction. Developing people and harnessing their ideas is high priority for the Company.

## ➢ OUTLOOK

The Company is exploring various business opportunities but nothing concrete has been derived. Barring unforeseen circumstances directors hope to find some concrete business opportunity to expand the business of the Company.

## ➢ RISK AND CONCERN

Company at present is exposed to the normal industry risk factor of volatility in interest rate, economic cycle and credit risk. It has not yet decided its future course of activities. The impact of new activity, as and when decided, will be known in the future.

## ➢ CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of the applicable securities laws and regulations. Actual results could differ materially from those expressed or implied.

**For and on behalf of the Board of Directors of**
**Citichem India Limited**

| | |
|---|---|
| **SD/-** | **SD/-** |
| **Arif Esmail Merchant** | **Hashim Arif Merchant** |
| **Managing Director** | **Director** |
| **(DIN: 00500363)** | **(DIN: 03015945)** |

**Date: 02/09/2026**
**Place: Mumbai**

**ANNEXURE TO THE BOARD REPORT**

**FORM NO. MR - 3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2026**

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

To,
The Members of
**CITICHEM INDIA LIMITED**
(CIN: U24100MH1992PLC065975)
7, Floor-1, Plot-96, Dharam Jyoti,
Kazi Sayed Street, Khand Bazar, Masjid Station,
Man, Dvi, Mumbai, Maharashtra, India, 400003

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CITICHEM INDIA LIMITED (hereinafter called "the Company")**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, I hereby report that in my opinion, the Company during the audit period covering the **financial year ended on 31st March, 2026,** has complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:-

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

**(i)** The Companies Act, 2013 (the Act) and the Rules made thereunder (Including any statutory modification (s) or re-enactments (s) thereof, for the time being in force);

**(ii)** The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder (Including any statutory modification (s) or re-enactments (s) thereof, for the time being in force);

**(iii)** The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder (Including any statutory modification (s) or re-enactments (s) thereof, for the time being in force);

**(iv)** Foreign Exchange Management Act, 1999 (FEMA) and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB) (Including any statutory modification (s) or re-enactments (s) thereof, for the time being in force); **Not Applicable for the year under review**

**(v)** The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') (Including any statutory modification (s) or re-enactments (s) thereof, for the time being in force): -

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

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

**(c)** The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; :- **To the extent Applicable during the Audit Period**

**(d)** The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 – **Not applicable during Audit Period**;

**(e)** The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021:- **Not applicable during Audit Period**;

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

**(g)** The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021-**Not applicable during the Audit Period;**

**(h)** The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 – **Not applicable to the Company during the Audit Period**.

**(vi) Other applicable laws**: Based on the information provided and the representation made by the Company and its officers and also on the review of the compliance reports taken on record by the Board of Directors of the Company, in my opinion, adequate systems and process exist in the Company to monitor and ensure compliances under other applicable Acts, Laws and Regulations as applicable to the Company.

**I have also examined compliance with the applicable clauses of the following: -**

**(i)** Secretarial Standards issued by The Institute of Company Secretaries of India with respect to the Board and General Meeting;

**(ii)** The Listing Agreements entered into by the Company with BSE Limited (BSE) read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations').

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

**I 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 and SEBI LODR Regulations.

Adequate notice is given to all the Directors / Committee Members to schedule the Board / Committee 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.

Majority decisions are carried out unanimously as recorded in the minutes of the meeting of the Board of Directors.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable Laws, Rules, Regulations and Guidelines, etc.

**I further report that** during the audit period, no major event/action having a major bearing on the Company's affairs occurred in pursuance of the above referred Laws, rules, regulations and guidelines, standards etc.

**Sd/-**
**Kalpana Srinivasan**
**Practicing Company Secretary**
**ACS - 6105**
**C. P. No. 1950**
**PR: 2310/2022**
**UDIN : A006105H001346147**

**Date: 02/09/2026**
**Place: Mumbai**

This report is to be read with my letter of even date which is annexed as **"<u>Annexure – A</u>"** and forms an integral part of this report.

**"Annexure – A"**

To,
The Members of
**CITICHEM INDIA LIMITED**
(CIN: U24100MH1992PLC065975)
7, Floor-1, Plot-96, Dharam Jyoti,
Kazi Sayed Street, Khand Bazar, Masjid Station,
Man, Dvi, Mumbai, Maharashtra, India, 400003

My report of even date is to be read along with this letter: -

1. Maintenance of the secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I 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 the secretarial records. I believe that the processes and practices followed by me provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, I 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 the Corporate and other applicable Laws, Rules, Regulations and Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**Sd/-**
**Kalpana Srinivasan**
**Practicing Company Secretary**
**ACS - 6105**

**C. P. No. 1950**
**PR: 2310/2022**
**UDIN : A006105H001346147**

**Date: 02/09/2026**
**Place: Mumbai**

**INDEPENDENT AUDITORS' REPORT**
**TO THE MEMBERS OF CITICHEM INDIA LIMITED**

REPORT ON THE FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying financial statements of **Citichem India Limited ("*the Company*")** which comprises the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2026,
b) In case of Statement of Profit & Loss, of the **Profit** for the year ended on that date, and
c) In case of Cash Flow Statement, cash flow for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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.

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have nothing to report in this regard.

### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the "Management Discussion and Analysis" and "Director's Report", but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Responsibility of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

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.

As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

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 control over financial reporting of the company with reference to these financial statements and operating effectiveness of such control, refer to our separate report in Annexure "B" to this report.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   1. the Company has no material pending litigations as on balance sheet date;

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

3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2026.

h) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:
In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

i) Based on our examination which included test checks, the company has used an 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 did not come across any instance of audit trail feature being tampered with. Furthermore, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

**For NGST & Associates**
**Chartered Accountants**
**Firm Regn. No 135159W**

**Place: Mumbai**
**Date: 30 May 2026**

**Bhupenddra Kumaar Gandhhi**
**Partner**
**M. No. 122296**
**UDIN –**

**ANNEXURE – A TO THE AUDITORS' REPORT**

**The Annexure referred to in our Independent Auditors' Report to the members of Citichem India Limited ("the Company") on the Financial Statements for the year ended 31st March, 2026, we report that:**

i.
a. In our opinion and according to the information and explanation given to us, the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

b. According to the information and explanation given to us, significant portions of fixed assets have been verified by the management during the year and no variation has been noted from the same. We suggest other assets should also be verified once and thereafter within reasonable intervals.

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties held in the name of the Company.

d. Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.

ii.
a. The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. *In respect of inventories lying with third parties, confirmation for the same were not received and therefore we cannot comment on the same.*

iii. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in register maintained under section 189 of the Companies Act, 2013 ('the Act'). Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

v. The Company has not accepted any deposits from the public.

vi. To the best of our knowledge and belief and according to the information and explanation given to us, no cost records are required to be maintained by the Company under the Companies (Cost Audit Rules), 2014.

vii.
a. *According to the information and explanation given to us and on the basis of our examination of the records of the Company, the company is not regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, income tax, value added tax, duty of customs, service tax, Goods and Service Tax, cess and other material statutory dues applicable to it.*

b. There were no material undisputed amounts payable in respect of provident fund, income tax, Goods and Service Tax, value added tax, duty of customs, service tax, cess and other material statutory dues in arrears as at March 31, 2026 for a period of more than six months from the date they became payable *except Tax Deducted at Source and income tax.*

c. According to the information and explanations given to us, there are no material dues of income tax, goods and service tax, sales tax, service tax, wealth tax, duty of excise, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute except as below:

| Name of the statute | Nature of dues | Amount of demand | Payment of demand | Period to which the amount relate | Forum where dispute is pending |
|---|---|---|---|---|---|
| The Income Tax Act, 1961 | Income Tax | 24,46,76,819 | Nil | AY 2022-2023 | Appeal rejected by CIT (A) and company is preferring an appeal before ITAT, Mumbai. |
| The Income Tax Act, 1961 | Income Tax | 9,41,27,166 | Nil | AY 2021-2022 | Appeal rejected by CIT (A) and company is preferring an appeal before ITAT, Mumbai. |
| Goods And Service Tax Act, 2017 | IGST, CGST & SGST including interest and penalties | 178,35,05,257 | Nil | 2018-19 to 2022-23 (Consolidated) | Writ petition filed before Hon'ble High Court, Bombay. |
| Goods And Service Tax Act, 2017 | IGST, CGST & SGST including interest and penalties | 3,01,77,373 | 27,40,485 | 2020-21 | Joint Commissioner (Appeals-II), CGST & Central Excise, Mumbai |

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to financial institutions or banks. Further, the Company has not issued any debenture.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Willful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The company does not have any subsidiary, associate or joint venture and hence clause (ix) (c) and (d) of the Order is not applicable.

x. (a) According to the information and explanations given to us and on an overall examination of the records of the company, the Company has not raised any money by way of initial public offer during the year.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) hence this clause is not applicable.

xi. (a) According to the information and explanations given to us, no material fraud by company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor /secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c ) Since the Company has not borrowed money from banks and public financial institutions in excess of 50 crore rupees, this clause is not applicable.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

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 in the financial statements as required by the applicable accounting standards

xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

xv. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

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

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.

xix. On the basis of the financial ratios disclosed in note to the financial statements, 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 Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. The company does not fall in category of companies specified in section 135 of Companies Act, 2013 and hence clause (xx) of the Order is not applicable.

**For NGST & Associates**
**Chartered Accountants**
**Firm Regn. No 135159W**

**Place: Mumbai**
**Date: 30 May 2026**

**Bhupenddra Kumaar Gandhhi**
**Partner**
**M. No. 122296**
**UDIN –**

**ANNEXURE – B TO THE AUDITORS' REPORT**

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

We have audited the internal financial controls over financial reporting of Citichem India Limited ('the company'), as of 31 March 2026, in conjunction with our audit of the 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 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 Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our Audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For NGST & Associates**
**Chartered Accountants**
**Firm Regn. No 135159W**

**Place: Mumbai**
**Date: 30 May 2026**

**Bhupenddra Kumaar Gandhhi**
**Partner**
**M. No. 122296**
**UDIN –**

**Citichem India Limited**
**CIN No:- U24100MH1992PLC065975**
**Balance Sheet as at 31 March 2026**

| Particulars | Note | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|---|
| | | | |
| **EQUITY AND LIABILITIES** | | | |
| **Shareholder's Funds** | | | |
| Share Capital | 1 | 68,000,000 | 68,000,000 |
| Reserves and Surplus | 2 | 143,005,595 | 132,991,418 |
| | | | |
| **Non-Current Liabilities** | | | |
| Long-term borrowings | 3 | - | 6,178,064 |
| Deferred tax liabilities (net) | | 152,746 | |
| | | | |
| **Current Liabilities** | | | |
| Short-term borrowings | 4 | 77,205,967 | 47,672,106 |
| Trade payables | 5 | | |
| - Micro, Small & Medium Enterprises | | 8,040,874 | 8,040,874 |
| - Other than Micro, Small & Medium Enterprises | | 237,502,967 | 419,536,623 |
| Other current liabilities | 6 | 534,073 | 6,767,146 |
| Short-term provisions | 7 | 13,554,789 | 10,054,789 |
| | | **547,997,011** | **699,241,020** |
| **Assets** | | | |
| **Non-current assets** | | | |
| **Fixed assets** | | | |
| Tangible assets | 8 | 9,253,883 | 646,409 |
| | | | |
| Deferred tax assets (net) | | - | 75,207 |
| Long term loans and advances | 8 | 3,334,536 | 234,536 |
| Other Non current assets | 9 | 74,900,000 | 74,900,000 |
| | | | |
| **Current assets** | | | |
| Inventories | 10 | 66,460,242 | 61,871,829 |
| Trade receivables | 10 | 371,712,013 | 510,832,955 |
| Cash and cash equivalents | 11 | 6,558,931 | 44,572,187 |
| Short Term Loans & Advances | | - | 1,000,000 |
| Other current assets | 12 | 15,777,406 | 5,107,893 |
| **TOTAL** | | **547,997,011** | **699,241,020** |
| Significant accounting policies & notes on accounts | 21-27 | | |
| | | | |
| Contingent liabilities | 22 | 2,207,180,956 | 241,841,498 |

This is the Balance Sheet referred to our report of even date.

**For NGST & Associates**
**Chartered Accountants**
**Firm Reg. No. 135159W**

**For and On behalf of the Board of Citichem India Limited**

**Bhupenddra Kumaar Gandhhi**
**Partner**
**Mem. No. 122296**

**Arif Merchant**
**Director**
**DIN No. - 00500363**

**Hashim Merchant**
**Director**
**DIN No. - 03015945**

**Khyati Palash Sheth**
**Company Secretary**

**Farheen Ansari**
**CFO**

Place: Mumbai
Dated: 30 May 2026

Place: Mumbai
Dated: 30 May 2026

**Citichem India Limited**
**CIN No:- U24100MH1992PLC065975**
**Statement of Profit and Loss for the month ended 31 March 2026**

| Particulars | Note | For the year ended 31.03.2026 | For the year ended 31.03.2025 |
|---|---|---|---|
| **Income** | | | |
| Revenue from operations | 13 | 94,782,071 | 186,953,623 |
| Other operating income | 14 | 52,994,169 | 356,788,590 |
| Other income | 15 | 7,029,451 | 3,604,850 |
| **Total Revenue** | | 154,805,692 | 547,347,063 |
| ***Expenses:*** | | | |
| Purchase of stock - in - trade | 16 | 109,507,424 | 181,759,404 |
| Changes in inventories of finished goods | 17 | (4,588,413) | 312,995,708 |
| Employee benefits expense | 18 | 2,145,800 | 2,910,505 |
| Other Expenses | 19 | 27,558,571 | 29,921,748 |
| **Total Expenses** | | 134,623,383 | 527,587,364 |
| **Profit before Interest, Tax, Depreciation and amotization** | | 20,182,309 | 19,759,699 |
| Depreciation and amortisation Expenses | 19 | 603,233 | 70,049 |
| Finance Cost | 20 | 5,836,947 | 3,061,130 |
| **Profit/(Loss) before Tax** | | 13,742,130 | 16,628,519 |
| **Tax expense** | | | |
| Current tax expense for current year | | 3,500,000 | 4,400,000 |
| Deffered Tax | | 227,953 | (58,611) |
| **Total Tax Expenses** | | 3,727,953 | 4,341,389 |
| **Profit / (Loss) for the year** | | **10,014,177** | **12,287,130** |
| Earnings per equity share: | | | |
| (1) Basic | | 1.47 | 2.26 |
| (2) Diluted | | 1.47 | 2.26 |

Significant accounting policies & notes on accounts 21-27

This is the Profit & Loss Account referred to our report of even date.

**For NGST & Associates**
**Chartered Accountants**
**Firm Reg. No. 135159W**

**For and On behalf of the Board of Citichem India Limited**

**Bhupenddra Kumaar Gandhhi**
**Partner**
**Mem. No. 122296**

**Arif Merchant**
**Director**
**DIN No. - 00500363**

**Hashim Merchant**
**Director**
**DIN No. - 03015945**

**Khyati Palash Sheth**
**Company Secretary**

**Farheen Ansari**
**CFO**

Place: Mumbai
Dated: 30 May 2026

Place: Mumbai
Dated: 30 May 2026

**Citichem India Limited**

**Cash Flow Statement as at 31 March 2026**

| **Particulars** | **For the year ended 31.03.2026** | **For the year ended 31.03.2025** |
|---|---|---|
| **(A) Cash Flow from Operating Activities** | | |
| **Restated Net Profit Before Tax and Extraordinary items** | 13,742,130 | 16,628,519 |
| Adjustments For: | | |
| Interest and Finance Charges Paid | 5,836,947 | 3,061,130 |
| Depreciation | 603,233 | 70,049 |
| Interest income | (5,609,445) | (738,657) |
| **Operating profit before working capital changes** | 14,572,864 | 19,021,041 |
| Changes in Working Capital | | |
| (Increase)/Decrease in Trade Receivables and loans & advances | 127,168,632 | (280,516,635) |
| (Increase)/Decrease in Inventories | (4,588,413) | 312,995,708 |
| Increase/(Decrease) in Long Term Provisions | - | - |
| Increase/(Decrease) in Trade Payables and other liabilities | (188,266,728) | (167,252,921) |
| Increase/(Decrease) in Short Term Provisions | - | - |
| **Cash Generated from / (used in) operating activities** | (51,113,644) | (115,752,807) |
| **Less : Income Tax paid** | (817,202) | (119,970) |
| **Cash Flow before extraordinary items** | (51,930,847) | (115,872,777) |
| **Extraordinary items** | - | - |
| **Net cash generated from / (used in) Operating Activities………A** | (51,930,847) | (115,872,777) |
| **(B) Cash Flow from Investing Activities** | | |
| (Increase)/Decrease in Non-Current Investment | - | - |
| Interest Received | 5,609,445 | 738,657 |
| (Purchase) of Tangible Fixed Assets | (9,210,706) | (27,050) |
| Sale of Tangible Fixed Assets | - | 289,000 |
| **Net cash generated from / (used in) Investing Activities………B** | **(3,601,261)** | **1,000,607** |
| **(C) Cash Flow from financing Activities** | | |
| Proceeds from issue of Share Capital | - | 113,500,000 |
| Increase/(Decrease) in Short Term Borrowings | 29,533,861 | 47,672,106 |
| Increase/(Decrease) in Long Term Borrowings | (6,178,064) | (4,642,277) |
| Interest and Finance Charges Paid | (5,836,947) | (3,061,130) |
| **Net cash generated from / (used in) Financing Activities…………C** | **17,518,851** | **153,468,699** |
| **Net increase in cash and cash equivalents (A+B+C)** | (38,013,257) | 38,596,529 |
| **Cash and cash equivalents at the beginning** | 44,572,187 | 5,975,657 |
| **Cash and cash equivalents at the end** | 6,558,931 | 44,572,187 |

**Notes :-**

1) Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

2) Figures in brackets represents outflows.

As per our report of even date

**For NGST & Associates**
**Chartered Accountants**
**Firm Reg. No. 135159W**

**For and On behalf of the Board of Citichem India Limited**

**Bhupenddra Kumaar Gandhhi**
**Partner**
**Mem. No. 122296**

**Arif Merchant**
**Director**
**DIN No. - 00500363**

**Hashim Merchant**
**Director**
**DIN No. - 03015945**

**Khyati Palash Sheth**
**Company Secretary**

**Farheen Ansari**
**CFO**

Place: Mumbai
Dated: 30 May 2026

Place: Mumbai
Dated: 30 May 2026

**Citichem India Limited**
**CIN No:- U24100MH1992PLC065975**

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

| PARTICULARS | 3/31/2026 Rs | 3/31/2025 Rs |
|---|---|---|
| **NOTE NO '1'** | | |
| **SHARE CAPITAL** | | |
| **Authorized capital** | | |
| 75,00,000(PY 75,00,000) Equity Shares of Rs 10/- each | 75,000,000 | 75,000,000 |
| | **75,000,000** | **75,000,000** |
| **Issued subscribed and paid up capital** | | |
| 68,00,000 (68,00,000) Equity Shares of Rs 10/- each | 68,000,000 | 68,000,000 |
| **Total** | **68,000,000** | **68,000,000** |
| **Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period;** | | |
| At the beginning of the period | 6,800,000 | 5,000,000 |
| Add : Issued during the period | - | 1,800,000 |
| | **6,800,000** | **6,800,000** |

**Terms & Right attached to Equity Shares:**

Equity Shares: The company has only one class of equity shares having a par value of Rs.10/- each. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts and payment of preference shareholders, in proportionate to their shareholding.

| **Details of share holding more than 5%** | **As on 31 March 2026** | | **As on 31 March 2025** | |
|---|---|---|---|---|
| | **No. of shares Held** | **% of Holding** | **No. of shares Held** | **% of Holding** |
| Arif Esmail Merchant | 1,892,496 | 27.83 | 1,892,496 | 27.83 |
| Fozia Arif Merchant | 500,000 | 7.35 | 500,000 | 7.35 |
| Hashim Merchant | 1,020,004 | 15.00 | 1,020,004 | 15.00 |
| Saima Merchant | 500,000 | 7.35 | 500,000 | 7.35 |
| Globopac India Private Limited | 300,000 | 4.41 | 300,000 | 4.41 |

**Details of Shareholding of Promotors**

| **As At 31 March 2026** | **No. of Share** | **% of holding** |
|---|---|---|
| Arif Esmail Merchant | 1,892,496 | 27.83 |
| Fozia Arif Merchant | 500,000 | 7.35 |
| Hasim Merchant | 1,020,004 | 15.00 |
| Saima Merchant | 500,000 | 7.35 |
| **As At 31 March 2025** | | |
| Arif Esmail Merchant | 1,892,496 | 27.83 |
| Fozia Arif Merchant | 500,000 | 7.35 |
| Hasim Merchant | 1,020,004 | 15.00 |
| Saima Merchant | 500,000 | 7.35 |
| **As At 31 March 2024** | | |
| Arif Esmail Merchant | 1,892,496 | 27.83 |
| Fozia Arif Merchant | 500,000 | 7.35 |
| Hasim Merchant | 1,020,000 | 15.00 |
| Saima Merchant | 500,000 | 7.35 |

| | 3/31/2026 | 3/31/2025 |
|---|---|---|
| **NOTE NO '2'** | | |
| **RESERVES & SURPLUS** | | |
| **Securities Premium Account** | | |
| Balance at the beginning of the year | - | - |
| Add : Addition during the year | 95,500,000 | 108,000,000 |
| Less: IPO Expenses | - | 12,500,000 |
| | 95,500,000 | 95,500,000 |
| **Statement of Profit and Loss** | | |
| Balance at the beginning of the year | 37,491,418 | 25,204,288 |
| Add : profit for the current year | 10,014,177 | 12,287,130 |
| | 47,505,595 | 37,491,418 |
| **Total** | **143,005,595** | **132,991,418** |

**Citichem India Limited**
**CIN No:- U24100MH1992PLC065975**

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

| | | |
|---|---|---|
| **NOTE NO '3'** | | |
| **LONG -TERM BORROWINGS** | | |
| **Secured Loan** | | |
| Indostar Capital | - | - |
| **Unsecured Loan** | | |
| From Directors and their relatives | - | 6,178,064 |
| **Total** | **-** | **6,178,064** |

Loan against property taken from Indostar Capital Limited during FY 2021-22, sanctioned of Rs. 117.00 Lakhs and carries floating interest @ 12.50 %. The loan is re-payable in 180 equated monthly instalments of Rs. 1,44,205 each.

| | | |
|---|---|---|
| **NOTE NO '4'** | | |
| **SHORT -TERM BORROWINGS** | | |
| **Secured Loan** | | |
| Overdtaft facility from Bank of Baroda | 77,205,967 | 47,672,106 |
| | **77,205,967** | **47,672,106** |

Overdraft facility is secured against fixed deposit with bank.
Rate of interest is FD interest plus 1% margin.

| | | |
|---|---|---|
| **NOTE NO '5'** | | |
| **TRADE PAYABLE** | | |
| Creditors for Goods & Expenses | | |
| Micro, Small & Medium Enterprises | 8,040,874 | 8,040,874 |
| Other than Micro, Small & Medium Enterprises | 237,502,967 | 419,536,623 |
| **Total** | **245,543,841** | **427,577,497** |
| **NOTE NO '6'** | | |
| **OTHER CURRENT LIABILITIES** | | |
| Interest accrued but due | - | - |
| Professional Tax | 57,380 | 47,980 |
| Current maturities of long term debts | - | - |
| TDS & TCS payable | 476,693 | 6,719,166 |
| **Total** | **534,073** | **6,767,146** |
| **NOTE NO '7'** | | |
| **SHORT TERM PROVISIONS** | | |
| Provision for tax | 13,554,789 | 10,054,789 |
| | | - |
| **Total** | **13,554,789** | **10,054,789** |
| **NOTE NO '8'** | | |
| **FIXED ASSETS** | 9,253,883 | 646,409 |
| **As per schedule** | | |
| **Total** | **9,253,883** | **646,409** |
| **NOTE NO '9'** | | |
| **LONG TERM LOANS & ADVANCES** | | |
| **(Unsecured, considered good)** | | |
| Security depsoit | 3,334,536 | 234,536 |
| **Total** | **3,334,536** | **234,536** |
| **NOTE NO '10'** | | |
| **OTHER NON CURRENT ASSETS** | | |
| Fixed deposits with original maturity of more than 12 months | 74,900,000 | 74,900,000 |
| | **74,900,000** | **74,900,000** |

**Citichem India Limited**
**CIN No:- U24100MH1992PLC065975**

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

| | | | |
|---|---|---|---|
| **NOTE NO '11'** | | | |
| **INVENTORIES** | | | |
| ( At cost or market value whichever is lower) | | | |
| Closing Stock of API & Chemicals Goods | | 66,460,242 | 61,871,829 |
| | | **66,460,242** | **61,871,829** |
| **NOTE NO '11'** | | | |
| **TRADE RECEIVABLE** | | | |
| **(Unsecured)** | | | |
| Trade Receivables- Considered Good | | 371,712,013 | 510,832,955 |
| Trade Receivables- Considered Doubtful | | - | - |
| Less: Provision for doubtful receivables | | - | - |
| | **Total** | **371,712,013** | **510,832,955** |
| **NOTE NO '12'** | | | |
| **CASH AND CASH EQUIVALENTS** | | | |
| Cash in hand | | 5,917,199 | 2,529,199 |
| Balances with Banks | | 641,732 | 1,142,987 |
| Balances with Banks - In IPO Escrow account | | - | 40,900,000 |
| | **Total** | **6,558,931** | **44,572,187** |
| **NOTE NO '13'** | | | |
| **OTHER CURRENT ASSETS** | | | |
| GST Receivable | | 9,247,122 | 4,323,133 |
| TDS Receivable | | 817,202 | 119,970 |
| Interest accrued on fixed deposits | | 5,713,082 | 664,790 |
| | **Total** | **15,777,406** | **5,107,893** |
| **NOTE NO '14'** | | | |
| **REVENUE FROM OPERATIONS** | | | |
| Sales - API & Chemicales | | 94,782,071 | 186,953,623 |
| | **Total** | **94,782,071** | **186,953,623** |
| **NOTE NO '15'** | | | |
| **OTHER OPERATING INCOME** | | | |
| Commission & brokerage | | 310,032 | 3,931,884 |
| Sundry creditors balances written back due to defective quality of material | | 52,684,138 | 352,856,706 |
| | | **52,994,169** | **356,788,590** |
| **NOTE NO '16'** | | | |
| **OTHER INCOME** | | | **-** |
| Interest Income | | 5,609,445 | 738,657 |
| Discount and rebate | | 13,867 | 1,876,445 |
| Sundry balances written back | | 1,406,140 | 989,748 |
| | **Total** | **7,029,451** | **3,604,850** |
| **NOTE NO '17'** | | | |
| **PURCHASE** | | | |
| Purchases - API & Chemicales | | 109,507,424 | 181,759,404 |
| Including Freight, Duty and C&F | | - | - |
| | **Total** | **109,507,424** | **181,759,404** |
| **NOTE NO '18'** | | | |
| **INCREASE\DECREASE IN INVENTORIES** | | | |
| Opening Stock | | 61,871,829 | 374,867,537 |
| Less: Closing stock | | 66,460,242 | 61,871,829 |
| | **Total** | **(4,588,413)** | **312,995,708** |

**Citichem India Limited**
**CIN No:- U24100MH1992PLC065975**

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

| | | |
|---|---|---|
| **NOTE NO '19'** | | |
| **EMPLOYEE BENEFIT EXPENSES** | | |
| Salary | 1,966,800 | 2,898,005 |
| Director Remuneration | 100,000 | - |
| Staff Welfare | 79,000 | 12,500 |
| **Total** | **2,145,800** | **2,910,505** |
| **NOTE NO '20'** | | |
| **OTHER EXPENSES** | | |
| Advertisement expenses | 432,397 | 244,740 |
| Rent paid | 1,820,468 | 496,636 |
| Freight and loading expenses | - | - |
| Electricity expenses | 1,141,133 | 433,981 |
| Listing Expenses | | 16,093,351 |
| Insurance expenses | - | 89,755 |
| Rates and Taxes | - | 117,578 |
| Audit fees | 150,000 | 150,000 |
| Business promotion expenses | 1,205,242 | 678,827 |
| Travelling and conveyance expenses | 1,047,722 | 272,560 |
| Labour charges | 1,501,926 | 53,138 |
| Telephone expenses | 110,378 | 75,249 |
| Miscellaneous expenses | 2,729,647 | 931,961 |
| Preliminary Expenses Written off | - | |
| Bad Debts | 9,500,000 | |
| Repairs & Maintance | 665,453 | |
| Transportation charges | 1,009,885 | 447,271 |
| Legal & professional fees | 6,244,320 | 9,836,700 |
| **Total** | **27,558,571** | **29,921,748** |
| **NOTE NO '20'** | | |
| **DEPRECIATION & AMORTISATION EXPENSE** | | |
| Depreciation | 603,233 | 70,049 |
| **Total** | **603,233** | **70,049** |
| **NOTE NO '21'** | | |
| **FINANCE COST** | | |
| Bank charges | 131,909 | 15,809 |
| Interest expenses | 5,705,038 | 3,045,321 |
| **Total** | **5,836,947** | **3,061,130** |

**Citichem India Limited**

**CIN No:- U24100MH1992PLC065975**

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

## Note 21:Related Party Disclosures

As per Accounting Standard 18, the disclosures of transactions with the related Parties are given below:

**A** List of related parties where control exists and related parties with whom transactions have taken place and relationship

| Name of Related Party | Relationship |
|---|---|
| Arif Merchant | Director |
| Hashim Merchant | Director |
| Saima Marchant | Relative of Director |
| Fozia Merchant | Relative of Director |
| HM Megabrand Private Limited | Associate Company |
| General Chemical Industries | Associate Company |
| HM Enterprises | Associate Company |

**B** Transaction with Related Parties

| Particulars | year ended 31.03.2026 | | year ended 31.03.2025 | |
|---|---|---|---|---|
| | Transactions | Outstandings | Transactions | Outstandings |
| **a) Associate Companies** | | | | |
| Purchase of goods | - | - | 104,238,177 | - |
| Sales of goods | - | - | - | - |
| Sundry balances written back | - | | 314,020,503 | |
| Trade Payable | - | - | - | - |
| Trade Receivables | - | - | - | - |
| **c) Key Management Personnel and Relatives** | | | | |
| Remuneration to Directors/Relatives | 100,000 | - | 1,500,000 | - |
| Rent Paid | 1,080,000 | - | 300,000 | - |
| Deposit Paid | 2,050,000 | - | - | - |

*Figures in negative are payables*

**Citichem India Limited**
**CIN No:- U24100MH1992PLC065975**
**Notes forming part of the Financial Statements for the year ended 31 March 2026**

**Note 22:Contingent Liabilities**

| | As at 31-Mar-26 | As at 31-Mar-25 |
|---|---|---|
| A. Income Tax Demands | 396,238,811 | 214,404,610 |
| B. GST Demands | 1,810,942,145 | 27,436,888 |
| B. Claims against the company not acknowledged as debt | - | - |
| | **2,207,180,956** | **241,841,498** |

**(a) Income-tax matters – disputed demands / proceedings pending before tax authorities**

The Company is contesting the following demands raised by the Income-tax Department, and the matters are pending before various appellate and assessment authorities under the Income-tax Act, 1961. Having regard to the facts of the respective cases and, where relevant, the advice of its tax consultants, the Company believes it has reasonable grounds to defend its position in these matters (except as stated in note (b) below) and has, accordingly, not recognised a provision in respect of the amounts set out below; these are disclosed as contingent liabilities in accordance with Accounting Standard.

| Sr. No. | Assessment Year | Nature of proceeding / section | Amount disputed (₹) | Present status / appellate forum |
|---|---|---|---|---|
| 1 | 2020-21 | Re-assessment proceedings u/s 147/148A | 1,104,610 | Reassessment initiated by AO; reply filed by the Company on 12 June 2026; fresh assessment awaited |
| 2 | 2021-22 | Assessment u/s 143(3) r.w.s. 144B; First appeal before CIT(A)/NFAC | 94,127,166 | Appeal dismissed and income further enhanced by CIT(A)/NFAC vide order dated 05.03.2026; second appeal to be filed before ITAT, Mumbai (refer (ii) below) |
| 3 | 2022-23 | Assessment u/s 143(3) r.w.s. 144B; First appeal before CIT(A)/NFAC | 244,676,819 | Appeal dismissed and additions confirmed by CIT(A)/NFAC vide order dated 26.02.2026; second appeal to be filed before ITAT, Mumbai (refer (iii) below) |
| 4 | 2023-24 | Assessment u/s 143(3) r.w.s. 144B; First appeal before CIT(A)/NFAC | 27,874,986 | First appeal filed with CIT(A)/NFAC in July 2026; pending disposal (refer (iv) below) |
| 5 | 2024-25 | Assessment u/s 143(3) r.w.s. 144B | 29,559,840 | Refer note (b) / paragraph (v) below – provisioning being re-assessed by management. |
| 6 | 2025-26 | Demand outstanding – shortfall in self-assessment tax | 4,697,400 | Not under dispute / not litigated – refer note (c) below |
| | **Total** | | **402,040,821** | |

**(i) Assessment Year 2020-21 – Re-assessment proceedings**
An outstanding demand of ₹11,04,610 stands against the Company for AY 2020-21. The case has subsequently been taken up for re-assessment under section 148A of the Act. The Company filed its reply to the notice under section 148A(b) on 12 June 2026, and the Assessing Officer has since passed an order for reopening the assessment; the reassessment proceedings are pending completion. No additional demand has, as yet, been quantified in the reopened proceedings.

**(ii) Assessment Year 2021-22 – Assessment order and first appellate order**
The original assessment for AY 2021-22 was completed under section 143(3) read with section 144B of the Act vide order dated 21.03.2025, wherein the Assessing Officer made an ad hoc disallowance of ₹24,80,95,568 (being 25% of total purchases of ₹99,23,82,272) by treating the same as bogus purchases under section 37 of the Act, relying on the ratio in Vijay Proteins Ltd v. ACIT. The Company's total income was accordingly assessed at ₹29,74,00,525 as against the returned income, and a demand (including interest) of ₹7,86,82,332 was originally raised, apart from a penalty demand of ₹30,000.

The Company filed a first appeal before the Commissioner of Income-tax (Appeals) / National Faceless Appeal Centre (NFAC). Vide order dated 05.03.2026, the CIT(A)/NFAC dismissed the Company's appeal and confirmed the addition of ₹24,80,95,568, holding that the Company had not adequately substantiated the genuineness of the purchases either during the original assessment or during remand proceedings. The CIT(A)/NFAC further enhanced the assessment by directing the Assessing Officer to make an additional addition of ₹6,45,00,000 (₹6,35,00,000 in respect of an alleged advance to M/s Manas Trading Company and ₹10,00,000 in respect of an alleged loan from M/s Paras Fincap Pvt Ltd, both treated as unexplained money/expenditure under sections 69A/69C of the Act) on the ground that the Company could not establish the nature and source of these transactions during the appellate/remand proceedings; partial relief was, however, granted in respect of a similar transaction with M/s RR Innovative Pvt Ltd, where no infirmity was found, while the AO was separately directed to examine a transaction with M/s Roop Trading Co.

The aggregate demand of ₹9,41,27,166 (comprising tax, interest and the penalty referred to above) reflected in the summary table represents the demand and accrued interest as recorded in the Company's records as at the date of this note, based on the original assessment. This does not include the further demand that will arise once the Assessing Officer gives effect to the enhancement of ₹6,45,00,000 directed by the CIT(A)/NFAC, which had not been quantified by way of a consequential order as at the date of this note. The Company proposes to file a second appeal against the CIT(A)/NFAC order before the Income Tax Appellate Tribunal (ITAT), Mumbai.

**(iii) Assessment Year 2022-23 – Assessment order and first appellate order**
The original assessment for AY 2022-23 was completed under section 143(3) read with section 144B of the Act vide order dated 22.03.2024, wherein the Assessing Officer made the following additions to the returned income: (a) ₹38,15,28,411 under section 69A, being the difference between purchases of ₹1,28,48,52,136 reported under GSTR-2A and purchases of ₹90,33,23,695 recorded in the books of account, treated as unexplained/suppressed purchases; and (b) an ad hoc disallowance of ₹22,58,30,923 (25% of total purchases) under section 37, treating the same as bogus purchases, again relying on the ratio in Vijay Proteins Ltd v. ACIT. The Company's total income was assessed at ₹61,06,62,894 and a demand (tax and interest) of ₹21,24,45,969 was originally raised.

The Company filed a first appeal before the CIT(A)/NFAC, contending, inter alia, that the GSTR-2A/books difference was explainable on account of purchase-return credit notes and invoice amendments and that the ad hoc disallowance of purchases was arbitrary in the absence of any specific defect identified in the documentation furnished. The matter was remanded to the Assessing Officer for a remand report; however, the Company did not respond to the notices issued by the Assessing Officer in the remand proceedings. Vide order dated 26.02.2026, the CIT(A)/NFAC dismissed the appeal in its entirety and confirmed both additions, noting the Company's non-compliance during the remand proceedings. As per the Company's records (including interest accrued and a related rectification adjustment), the aggregate demand for the year stands at ₹24,46,76,819. The Company proposes to file a second appeal before the ITAT, Mumbai. A rectification application under section 154 in respect of this year is also pending, for which a reply was submitted by the Company on 19 June 2026, and related penalty proceedings have been kept in abeyance by the tax authorities pending disposal of the appeal by the ITAT.

**(iv) Assessment Year 2023-24 – Assessment order and appeal filed**

The assessment for AY 2023-24 was completed under section 143(3) read with section 144B of the Act vide order dated 16.03.2026, making two additions aggregating ₹31,25,51,670: (a) ₹30,90,00,676 under section 69C, on the ground of a mismatch between purchases reported under GST (₹39,71,81,604) and purchases of ₹8,81,80,928 stated by the Assessing Officer to be recorded in the books; and (b) an ad hoc disallowance of ₹35,50,994 (20% of total expenses of ₹1,77,54,974) under section 37(1), citing lack of supporting evidence. The Company's total income was assessed at ₹33,20,66,160, and a demand of ₹2,78,74,986 was raised vide notice under section 156 dated 16.03.2026.

The Company has filed an appeal (Form 35) before the CIT(A)/NFAC in July 2026, which is pending disposal. The principal grounds of appeal are that (a) the book-purchase figure of ₹8,81,80,928 adopted by the Assessing Officer does not correspond to the audited financial statements, which record purchases of ₹22,50,47,742 for the year, so that the alleged difference underlying the section 69C addition is substantially overstated; (b) the assessment order appears to have erroneously adopted the returned income (₹1,95,14,490) and certain particulars pertaining to AY 2024-25, rather than the Company's actual return for AY 2023-24 (returned income of ₹50,59,720); (c) the ad hoc expense disallowance was made without identifying any specific defect in the expenses claimed; and (d) the assessment was completed without a draft assessment order under section 144B and without adequately considering submissions/documents already on record, in alleged breach of the principles of natural justice. Based on the nature of the alleged factual errors in the assessment order and the advice of its tax consultants, the Company believes it has good grounds for a favourable outcome in this matter.

**(v) Assessment Year 2024-25 – Assessment order**

The assessment for AY 2024-25 was completed under section 143(3) read with section 144B of the Act vide order dated 24.03.2026, making four additions aggregating ₹5,91,58,753 under section 40(a)(ia)/as deemed business income, primarily for alleged non-deduction of tax at source under sections 194Q/192 on purchases from a related party (HM Megabrand Private Limited) and other parties, and on salary and professional fee payments. The Company's total income was assessed at ₹7,86,73,243 as against the returned income of ₹1,95,14,490, and a demand (including interest) of ₹2,95,59,840 stands raised for the year.

**(a) Goods and Services Tax (GST) matters – disputed demands / proceedings pending before tax authorities**

The Company is contesting certain demands raised by the Central Goods and Services Tax ("CGST") authorities, details of which, along with Management's assessment of the same, are as under. In the opinion of the Management, no provision is presently required in respect of these matters, and the amounts stated below have accordingly been disclosed as contingent liabilities and not provided for in these financial statements, other than to the extent of amounts already reversed/paid as set out below.

| Sr. No. | Particulars of the claim / dispute | Financial year(s) | Forum where the dispute is pending | Amount not provided for (Rs.) |
|---|---|---|---|---|
| 1 | **GST demand – disallowance of Input Tax Credit and other mismatches** *Order-in-Original / Ref. No. ZD2702251289852 dated 24.02.2025 (Superintendent, Range-I, Division-I, Mumbai Central), issued under Section 73 of the CGST Act, 2017* | 2020-21 | Appeal (Form GST APL-01) pending before the Joint Commissioner (Appeals-II), CGST & Central Excise, Mumbai – Appeal No. ZD2705250A90782 dated 07.05.2025 | 30,177,373 |
| 2 | **GST demand – alleged fraudulent availment of Input Tax Credit and short payment of tax** *Show Cause Notice No. 21/ADC/AE/MC/CGST/2025-26 dated 27.06.2025; Order-in-Original No. 42/ADC(SM)/CGST&CX/MC/2025-26 dated 28.11.2025 (Additional Commissioner, CGST & CX, Mumbai Central) passed under Section 74(9); DRC-07 Ref. ZD271225080000Y dated 17.12.2025* | 2018-19 to 2022-23 (consolidated) | Writ Petition No.___ of 2026 filed before the Hon'ble Bombay High Court (affirmed 13.04.2026), inter alia challenging the Show Cause Notice and Order-in-Original and seeking stay of recovery – pending as at the date of this note | 1,783,505,257 |
| 3 | **Show Cause Notice – GST DRC-01 (matter distinct from Sr. No. 1 above)** *Ref. ZD271124104089N dated 27.11.2024, issued under Section 73 of the CGST Act, 2017; reply filed by the Company on 26.12.2024 (Form GST DRC-06)* | 2020-21 | Adjudication pending before the proper officer, CGST, Mumbai Central – order awaited as at the date of this note | *Not ascertainable – order awaited* |
| | **Total (Sr. No. 1 and 2 above; Sr. No. 3 not presently quantifiable)** | | | **1,813,682,630** |

**(a) Order-in-Original dated 24.02.2025 – F.Y. 2020-21 (Rs. 3,01,77,373) – Appeal pending**

A scrutiny of returns for the period April 2020 to March 2021 was undertaken by the Superintendent, Range-I, Division-I, CGST & Central Excise, Mumbai Central under Section 61 of the CGST Act, 2017 (Form GST ASMT-10, Ref. ZD270924034132K dated 13.09.2024), pursuant to which a Show Cause Notice-cum-Form GST DRC-01 was issued on 22.11.2024 alleging, inter alia, (i) mismatch between outward supplies as per Form GSTR-1 and liability declared in Form GSTR-3B, (ii) short payment of tax under the reverse charge mechanism, (iii) excess Input Tax Credit ("ITC") availed as compared to Form GSTR-2A/2B, (iv) ITC availed against suppliers whose registration was cancelled, (v) ITC availed beyond the time limit prescribed under Section 16(4), (vi) ITC on import of goods, and (vii) delayed filing fees.

The Company filed its reply; however, vide Order-in-Original / Form GST DRC-07 (Ref. ZD2702251289852) dated 24.02.2025, the proper officer confirmed a total demand of Rs. 3,01,77,373 under Section 73 of the CGST Act, 2017, as under:

| Particulars | Tax head | | Amount (Rs.) |
|---|---|---|---|
| Tax (Input Tax Credit disallowed / short-paid tax) | CGST / SGST / IGST | | 27,404,847 |
| Penalty (equal to tax) under Section 73(9) | CGST / SGST / IGST | | 2,760,426 |
| Late fee | CGST / SGST | | 12,100 |
| | **Total confirmed (per Form GST DRC-07 dated 24.02.2025)** | | **30,177,373** |

The Company, being aggrieved, has filed an appeal in Form GST APL-01 on 07.05.2025 (Appeal No. ZD2705250A90782) before the Joint Commissioner (Appeals-II), CGST & Central Excise, Mumbai, disputing the entire demand on merits (including that the alleged mismatches are reconciled and supported by underlying invoices/returns) and has paid the mandatory pre-deposit of Rs. 27,40,485, being 10% of the disputed tax, under Section 107(6) of the CGST Act, 2017. Personal hearings in the appeal have been fixed / adjourned on more than one occasion (most recently, an adjournment was sought and hearing acknowledged on 16.07.2026); the appeal remains pending disposal as at the date of this note.

**(b) Order-in-Original dated 28.11.2025 – F.Y. 2018-19 to 2022-23, consolidated (Rs. 178,35,05,257) – Writ Petition pending before the Hon'ble Bombay High Court**

Pursuant to an investigation, a Centralised Show Cause Notice No. 21/ADC/AE/MC/CGST/2025-26 dated 27.06.2025 was issued to the Company, covering the period 1 April 2018 to 31 March 2023 (F.Y. 2018-19 to 2022-23) in a single, consolidated notice, alleging: (i) fraudulent availment of ITC from certain suppliers alleged by the department to be non-genuine, without actual receipt of goods; (ii) ITC availed on transactions between group entities alleged to have resulted in shortage of physical stock; (iii) ITC availed on the strength of invoices issued by two named parties without underlying supply; (iv) excess ITC availed as compared to Form GSTR-2A/2B; and (v) short payment of tax on account of mismatch between liability declared in Forms GSTR-1 and GSTR-3B. The notice invoked Section 74 of the CGST Act, 2017 (i.e., cases involving alleged fraud, wilful misstatement or suppression of facts), which carries a longer limitation period and exposes the Company to penalty equal to the tax involved.

The Company filed a reply dated 21.10.2025 in Form GST DRC-06, inter alia contending that a single, consolidated show cause notice spanning five financial years is not permissible under the scheme of Section 74 of the CGST Act, 2017. Without considering these contentions, the Additional Commissioner, CGST & CX, Mumbai Central, vide Order-in-Original No. 42/ADC(SM)/CGST&CX/MC/2025-26 dated 28.11.2025 passed under Section 74(9), confirmed the proposals in the Show Cause Notice and raised the following demand against the Company (Form GST DRC-07, Ref. ZD271225080000Y dated 17.12.2025, due date 27.02.2026):

| Particulars | Confirmed under | Nature | Amount (Rs.) |
|---|---|---|---|
| Input Tax Credit disallowed (CGST Rs. 20,69,24,699 + SGST Rs. 20,69,24,699 + IGST Rs. 1,37,28,473) | Sec. 74(1) | Tax | 427,577,871 |
| GST short-paid on account of mismatch in tax liability declared (CGST Rs. 11,51,165 + SGST Rs. 11,51,165) | Sec. 74(1) r/w 122(2)(b) | Tax | 2,302,330 |
| Equal (100%) penalty on the tax confirmed above (CGST Rs. 20,80,75,864 + SGST Rs. 20,80,75,864 + IGST Rs. 1,37,28,473) | Sec. 74(1) r/w 122(2)(b) | Penalty | 429,880,201 |
| Penalty for issuance of invoices/bills without underlying supply of goods to two parties (CGST Rs. 2,20,12,902 + SGST Rs. 2,20,12,902) | Sec. 122(1)(ii) | Penalty | 44,025,804 |
| Interest under Section 50 on the above (computed by the adjudicating authority; not separately itemised in the operative order – derived as the balancing figure per Form GST DRC-07) | Sec. 50 | Interest | 879,719,051 |
| | **Total confirmed against the Company (per Form GST DRC-07)** | | **1,783,505,257** |

Of the ITC disallowed above, Rs. 6,80,92,959 (CGST Rs. 5,87,09,464 and SGST Rs. 93,83,495) stands appropriated against ITC already voluntarily reversed by the Company through Form GST DRC-03 during the course of investigation, prior to conclusion of the proceedings, and therefore does not represent an incremental cash outflow beyond amounts already given effect to. The adjudicating authority additionally **refrained from imposing** a further penalty of Rs. 42,75,77,871 under Section 122(1)(vii) of the CGST Act, 2017, which accordingly does not form part of the amount not provided for.

Separately, the Order-in-Original also imposes personal penalties of Rs. 47,39,26,005 each (an amount equal to the tax alleged to be fraudulently involved) on Mr. Hashim Merchant, a Director of the Company, and on Mr. Imran Motorwala, an individual alleged by the department to have facilitated the transactions, under Section 122(1A) of the CGST Act, 2017. **These are personal liabilities of the named individuals and not of the Company**; they have accordingly not been included in the amount stated above.

The statutory remedy of appeal against this Order-in-Original ordinarily lies before the Commissioner (Appeals) under Section 107 of the CGST Act, 2017, within three months of communication of the order (extendable by one further month on sufficient cause being shown), and is conditional upon payment of a mandatory pre-deposit of 10% of the disputed tax (subject to a cap of Rs. 25 crore). As the said period had lapsed without an appeal having been filed, and as the Company's grievance goes to the root of the adjudicating authority's jurisdiction to issue a single, consolidated notice/order for five financial years (for which the ordinary appellate remedy would not be efficacious), the Company has instead filed a Writ Petition under Article 226 of the Constitution of India before the Hon'ble High Court of Judicature at Bombay (Ordinary Original Civil Jurisdiction), affirmed on 13.04.2026, inter alia:

- praying for a writ of certiorari or a writ in the nature of certiorari quashing and setting aside the Show Cause Notice dated 27.06.2025 and the Order-in-Original dated 28.11.2025, primarily on the ground that the CGST Act, 2017 does not permit issuance of a consolidated show cause notice/order covering multiple financial years, and relying on Milroc Good Earth Developers v. Union of India [2025: BHC-GOA:2062-DB] and other decisions of the Hon'ble Bombay High Court taking the same view (with the Principal Bench having reserved orders on the identical issue in a connected matter as of 13.02.2026); and
- pending final disposal, praying for an interim stay of the operation of the Order-in-Original and a direction restraining the respondents from taking any coercive recovery action.

The Petition was affirmed on 13.04.2026, i.e., **after** the balance sheet date, and provides evidence of a condition (the dispute and the Company's contest thereof) that already existed as at 31 March 2026, the Order-in-Original having been passed on 28.11.2025. As at the date of this note, no order of the Hon'ble High Court on admission, interim relief or final disposal of the Writ Petition has been made available to us; the outcome of the Petition, including whether interim protection against recovery is granted, is accordingly not known. No coercive recovery action (such as provisional attachment) is evidenced in the papers made available to us as having been taken by the department as at the date of this note.

**(B) Other matters**

Refund rejection – appeal by the Company (contingent asset, not disclosed above): The Company has an appeal (ARN AD270624041299U, filed 27.06.2024, Form GST APL-01) pending before the Central Appellate Authority against an Order rejecting a refund claim of the Company (Order Ref. AA2702241587534). As this represents a claim by the Company rather than against it, it is in the nature of a contingent asset and, in accordance with AS 29, is neither recognised nor disclosed in these financial statements pending its outcome; it is mentioned here for completeness of the litigation position only.

**(C) Amounts paid under protest / as pre-deposit**

An aggregate amount of Rs. 27,40,485 has been paid by the Company as mandatory pre-deposit under Section 107(6) of the CGST Act, 2017 in connection with the appeal referred to in paragraph (a) above. This amount, being recoverable in the event the appeal succeeds, is carried as a recoverable / balance with government authorities and has not been charged to the Statement of Profit and Loss.

## Note 23: Segmental Information

As per the definitions of ‘business segment’ and ‘geographical segment’, contained in Accounting Standard - 17 (AS-17) “Segment Reporting”, the Management is of the opinion that as the company’s operations comprise of only trading of chemicals, there is neither more than one reportable business segment nor more than one reportable geographical segment and therefore, segment information as per AS-17 is not required to be disclosed.

## Note 24: Earning per share

| Description | 31-Mar-26 | 31-Mar-25 |
|---|---|---|
| a) Weighted average number of equity Shares of Rs.10/- each | | |
| i) Number of shares at the Beginning of the year | 6,800,000 | 5,000,000 |
| ii) Number of shares at the End of the year | 6,800,000 | 5,000,000 |
| | | |
| Weighted average number of Equity Shares – Basic | 6,800,000 | 5,443,836 |
| Weighted average number of Equity Shares – Diluted | 6,800,000 | 5,443,836 |
| | | |
| b) Net Profit after tax available for Equity share-holders | 10,014,177 | 12,287,130 |
| | | |
| c) - Basic Earnings per Equity Share (in Rupees) | 1.47 | 2.26 |
| - Diluted Earning per Equity Share (in Rupees) | 1.47 | 2.26 |

## Note 25: Fund raising

Citichem India Limited IPO bidding started from December 27, 2024 and ended on December 31, 2024. The allotment for Citichem India Limited IPO was finalized on Monday, January 1, 2025. The shares got listed on BSE SME on January 3, 2025. The shares were alloted @ Rs. 70 per share (including premium of Rs. 60 per share). Object of the issue was Capital expenditure for acquisition of Property, purchasing of Transportation Vehicles and accessories, general corporate purpose and issue expenses. The Company has utilized part proceeds of the IPO fund as per objects of the issue and the remaining unutilized amount has been parked in Fixed Deposits.

## Note 26: Other significant notes

(i) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act,1961).

(ii) The Company has not been declared a wilful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

(iii) The Company does not have any transactions with struck off companies under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

(iv) The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

(v) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(vi) The Company has not advanced any fund to any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the person or entity shall :

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or
(b) provide any guarantee, security or the like on behalf of the Company,

(vii) The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall :

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(viii) The Company has not entered into any scheme of arrangement which has an accounting impact on the current or previous financial year.

The previous period figures have been regrouped/restated/reclassified, wherever necessary, to conform to the current year's presentation.

**As per our report of even date**

| | | |
|---|---|---|
| **For NGST & Associates**<br>**Chartered Accountants**<br>**Firm Reg. No. 135159W** | **For and On behalf of the Board of Citichem India Limited** | |
| **Bhupenddra Kumaar Gandhhi**<br>**Partner**<br>**Mem. No. 122296** | **Arif Merchant**<br>**Director**<br>**DIN No. - 00500363** | **Hashim Merchant**<br>**Director**<br>**DIN No. - 03015945** |
| | **Khyati Palash Sheth**<br>**Company Secretary** | **Farheen Ansari**<br>**CFO** |
| **Place: Mumbai**<br>**Dated: 30 May 2026** | **Place: Mumbai**<br>**Dated: 30 May 2026** | |

**CITICHEM INDIA LTD**
**CIN NO:- U24100MH1992PLC065975**

**Notes to financial Statements for the year ended 31 March 2026**

**Note '8' Property, Plant & Equipments**

| | | Gross Block | | | | Accumulated Depreciation | | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Particulars** | **Useful Life (In Yrs)** | **Balance as at 1 April 2025** | **Additions** | **Deletion/Sale** | **Balance as at 31 March 2026** | **Balance as at 1 April 2025** | **Depreciation charge for the period** | **Deletion-Sale/ Loss** | **Balance as at 31 March 2026** | **Balance as at 31 March 2026** | **Balance as at 31 March 2025** |
| | | **(Amount in Rs.)** | **(Amount in Rs.)** | **(Amount in Rs.)** | **(Amount in Rs.)** | **(Amount in Rs.)** | **(Amount in Rs.)** | **(Amount in Rs.)** | **(Amount in Rs.)** | **(Amount in Rs.)** | **(Amount in Rs.)** |
| **A. Tangible Fixed Assets** | | | | | | | | | | | |
| | | | | | | | | | | | |
| FURNITURE -1 | 8 | 611,177 | 191,965 | - | 803,142 | 274,237 | 96,448 | - | 370,686 | 432,457 | 336,940 |
| FURNITURE -2 | 8 | 29,953 | - | - | 29,953 | 14,425 | 3,744 | - | 18,169 | 11,784 | 15,528 |
| AIR CONDITION-1 | 5 | 17,823 | 85,938 | - | 103,761 | 10,117 | 18,137 | - | 28,255 | 75,506 | 7,706 |
| AIR CONDITION-2 | 5 | 85,986 | - | - | 85,986 | 49,351 | 17,197 | - | 66,549 | 19,438 | 36,635 |
| AIR CONDITION-3 | 5 | 17,895 | - | - | 17,895 | 10,158 | 3,579 | - | 13,737 | 4,158 | 7,737 |
| LAP TOP (TAB) | 5 | 31,062 | - | - | 31,062 | 23,992 | 6,212 | - | 30,205 | 858 | 7,070 |
| MOBILE | 5 | 32,333 | - | - | 32,333 | 16,784 | 6,467 | - | 23,250 | 9,083 | 15,550 |
| MOBILE HANDSET | 5 | 19,553 | 89,830 | - | 109,383 | 12,669 | 12,081 | - | 24,751 | 84,632 | 6,884 |
| PLANT AND MACHINERY | 15 | 583 | 8,804,974 | - | 8,805,557 | 157 | 407,446 | - | 407,603 | 8,397,954 | 426 |
| OFFICE EQUIPMENT | 15 | 177,232 | 38,000 | - | 215,232 | 39,336 | 15,921 | - | 55,257 | 159,975 | 137,896 |
| TELEVISION-1 | 15 | 7,691 | - | - | 7,691 | 3,085 | 513 | - | 3,598 | 4,094 | 4,606 |
| TLELVISION-2 | 15 | 21,661 | - | - | 21,661 | 8,487 | 1,444 | - | 9,931 | 11,730 | 13,174 |
| LAPTOP CHROME BOOK | 3 | 26,483 | - | | 26,483 | 20,375 | 8,828 | | 29,202 | (2,719) | 6,108 |
| WATCH | 15 | 78,220 | - | | 78,220 | 28,071 | 5,215 | | 33,286 | 44,934 | 50,149 |
| Vehicle | 10 | - | - | - | - | - | - | - | - | - | - |
| | | | | | | | | | | | |
| **Total** | | **1,157,652** | **9,210,706** | **-** | **10,368,359** | **511,244** | **603,233** | **-** | **1,114,476** | **9,253,883** | **646,409** |
| Previous Year | | 1,479,102 | 27,050 | 348,500 | 1,157,652 | 500,695 | 70,049 | 59,500 | 511,244 | 646,409 | 978,408 |

**Citichem India Limited**
**CIN No:- U24100MH1992PLC065975**
**Notes forming part of the Financial Statements for the year ended 31 March 2026**

**Note 4.1**
**Trade payables ageing schedule as at 31st March 2026**

| Particualrs | Unbilled | Not Due | Outstanding for following periods from due date of payments | | | | | Total |
|---|---|---|---|---|---|---|---|---|
| | | | Less than 6 Months | 6 Months - 1 Year | 1-2 Years | 2-3 Years | More than 3 years | |
| **a) Undisputed trade payable** | | | | | | | | |
| - MSME | - | - | 6,636,565 | 633,260 | 771,049 | - | - | 8,040,874 |
| - Others | - | - | 6,546,217 | 24,848,386 | 6,048,399 | 8,234,215 | 191,825,751 | 237,502,967 |
| **b) Disputed trade payable** | | | | | | | | |
| - MSME | - | - | - | - | - | - | - | - |
| - Others | - | - | - | - | - | - | - | - |
| | | | | | | | | |
| **Total** | **-** | **-** | **13,182,782** | **25,481,646** | **6,819,448** | **8,234,215** | **191,825,751** | **245,543,841** |

**Trade payables ageing schedule as at 31st March 2025**

| Particualrs | Unbilled | Not Due | Outstanding for following periods from due date of payments | | | | | Total |
|---|---|---|---|---|---|---|---|---|
| | | | Less than 6 Months | 6 Months - 1 Year | 1-2 Years | 2-3 Years | More than 3 years | |
| **a) Undisputed trade payable** | | | | | | | | |
| - MSME | - | - | 6,636,565 | 633,260 | 771,049 | - | - | 8,040,874 |
| - Others | - | - | 22,725,349 | 74,950,503 | 83,858,516 | 405,427,239 | | 586,961,607 |
| **b) Disputed trade payable** | | | | | | | | |
| - MSME | - | - | - | - | - | - | - | - |
| - Others | - | - | - | - | - | - | - | - |
| | | | | | | | | |
| **Total** | **-** | **-** | **29,361,914** | **75,583,763** | **84,629,564** | **405,427,239** | **-** | **595,002,480** |

There are no Micro and Small Enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at 31 March, 2025, and no interest payment made during the year to any Micro and Small Enterprises. This information as required to be disclosed under the Micro, Small and Medium Enterprises Deveolpment Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

**Note 10.1**
**Trade receivables ageing schedule as at 31st March 2026**

| Particualrs | Unbilled | Not Due | Outstanding for following periods from due date of payments | | | | | Total |
|---|---|---|---|---|---|---|---|---|
| | | | Less than 6 Months | 6 Months - 1 Year | 1-2 Years | 2-3 Years | More than 3 years | |
| **a) Undisputed trade receivables** | | | | | | | | |
| - Considered good | - | - | 46,371,549 | 6,604,930 | 289,810,789 | 25,016,828 | 3,907,915 | 371,712,013 |
| - Considered doubtful | - | - | - | - | - | - | - | - |
| **b) Disputed trade receivables** | | | | | | | | |
| - Considered good | - | - | - | - | - | - | - | - |
| - Considered doubtful | - | - | - | - | - | - | - | - |
| | | | | | | | | |
| **Total** | **-** | **-** | **46,371,549** | **6,604,930** | **289,810,789** | **25,016,828** | **3,907,915** | **371,712,013** |

**Trade receivables ageing schedule as at 31st March 2025**

| Particualrs | Unbilled | Not Due | Outstanding for following periods from due date of payments | | | | | Total |
|---|---|---|---|---|---|---|---|---|
| | | | Less than 6 Months | 6 Months - 1 Year | 1-2 Years | 2-3 Years | More than 3 years | |
| **a) Undisputed trade receivables** | | | | | | | | |
| - Considered good | - | - | 2,686,081 | 32,381,950 | 12,556,480 | 258,218,986 | - | 305,843,497 |
| - Considered doubtful | - | - | - | - | - | - | - | - |
| **b) Disputed trade receivables** | | | | | | | | |
| - Considered good | - | - | - | - | - | - | - | - |
| - Considered doubtful | - | - | - | - | - | - | - | - |
| | | | | | | | | |
| **Total** | **-** | **-** | **2,686,081** | **32,381,950** | **12,556,480** | **258,218,986** | **-** | **305,843,497** |

- Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.
- There are no trade receivables which have significant increase in credit risk and trade receivables which are credit impaired.

**Citichem India Limited**
**Notes forming part of the Financial Statements for the year ended 31 March 2026**

**Note 27: Financial Ratios**

| Sl. No. | Ratios | Numarator | Year ended 31st March 2026 | Year ended 31st March 2025 | Denomenator | Year ended 31st March 2026 | Year ended 31st March 2025 | Year ended 31st March 2026 | Year ended 31st March 2025 | % Variance |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Current ratio (in times) | Current Assets | 460,508,592 | 623,384,864 | Current Liabilities | 259,632,703 | 444,399,432 | 1.77 | 1.40 | 26.44% |
| B | Debt equity ratio (in times) | Total Debt | 336,991,416 | 498,249,602 | Total Equity | 211,005,595 | 200,991,418 | 1.60 | 2.48 | -35.57% |
| C | Debt service coverage ratio (in times) | Profit before exceptional items & tax (+) interest expenses (+) depreciation & amortisation (-) current tax expense | 16,682,309 | 15,359,699 | Interest expense (+) scheduled principal repayment of longterm debt and lease liabilities during the period | 5,836,947 | 3,061,130 | 2.86 | 5.02 | -43.04% |
| D | Return on equity ratio (%) (ROE) | Net Profits after taxes (including continuing and discontinuing operations) (-) Interest on Perpetual securities | 10,014,177 | 12,287,130 | Average Shareholder's Equity | 211,005,595 | 200,991,418 | 4.75 | 6.11 | -22.37% |
| E | Inventory turnover ratio (in number of days) | Average Inventories (x) number of days | 64,166,035 | 218,369,683 | Cost of material consumed | 104,919,012 | 494,755,112 | 223.23 | 161.10 | 38.56% |
| F | Trade receivables turnover ratio (in number of days) | Average receivable (x) number of days | 441,272,484 | 408,338,226 | Gross Sales | 94,782,071 | 186,953,623 | 1,699.31 | 797.22 | 113.15% |
| G | Trade payables turnover ratio (in number of days) | Average trade payable (x) number of days | 213,788,748 | 511,289,989 | Net credit purchases | 109,507,424 | 181,759,404 | 712.58 | 1,026.75 | -30.60% |
| H | Net capital turnover ratio (in times) | Revenue from operation | 94,782,071 | 186,953,623 | Working capital = Current assets (–) Current liabilities | 200,875,888 | 178,985,432 | 0.47 | 1.04 | -54.83% |

**CITICHEM INDIA LIMITED**

**Significant Accounting Policies and Notes to Accounts for the year ended 31 March 2026**

## (A) Corporate Information

Company was originally incorporated on 18 March 1992 as Citichem Alkalies (Bombay) Limited, then after name of the company was changed to Citichem India Limited under the provisions of the Companies Act, 2013 with the Registrar of Companies, Mumbai, Maharashtra. The company got listed on BSE SME platform in 2024-2025.

The Company is primarily engaged in business of trading & Importers and manufactures of organic, Inorganic, Specialty and food chemicals. Primary deal products caustic soda flaks, caustic SDA lye, soda ash light, acetic acid and mono sodium glutamate etc.

## (B) Basis of Preparation of Financial Statement

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 (‘Act’) read with Rule 7 of the Companies (Accounts) Rules, 2014. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

## (C) Significant Accounting Policies

### 1) Use of Estimates:

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include computation of percentage of completion which requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended, provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, post-sales customer support and the use-full lives of fixed tangible assets and intangible assets. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

### 2) Fixed Assets & Depreciation:

**Tangible Assets:**

All items of fixed assets are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset’s carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance expenses are charged to profit or loss during the reporting period in which they are incurred

Depreciation on fixed assets is provided on pro rata basis as per Written Down Value Method, as specified in Schedule II of the Companies Act, 2013.

**Assets Acquired as Lease:**

Leases under which the Entity assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense in the Proft and Loss Account on a straight-line basis over the lease term.

The cost of leasehold land is amortized over the period of the lease. Leasehold improvements and assets acquired on finance lease are amortized over the lease term or useful life, whichever is lower.

**Advances paid towards the acquisition of Property, Plant and Equipment**

Advances paid towards the acquisition of Property, Plant and Equipment, outstanding at each balance sheet date are shown under capital advances. The cost of the Property, Plant and Equipment not ready for its intended use on such date, is disclosed under capital work-in- progress.

**3) Impairment of Assets:**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. Impairment loss is charged to the Statement of Profit and Loss in the year / period in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

4) **Investments:**

Investments, which are readily realizable and intended to be held for not more than 12 months from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments

5) **Inventories:** The inventories are valued on the following basis:

a) Raw Materials: Valued at Cost Price or Net Realizable Value whichever is lower.

b) Finished goods and traded goods: Valued at lower of Cost or Net Realizable Value.

6) **Employee Benefits:**

All short-term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees.

*The company has not provided for gratuity and leave encashment liabilities as required by AS-15 on “Employee Benefits” as per projected unit credit method.*

**7) Revenue Recognition:**

Revenue is recognised to the extent, that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

**Revenue from sale of goods**

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods are transferred to the buyer and are recorded net of trade discounts, rebates, Goods and Service Tax.

**Interest Income**

Interest Income is recognised on a time proportion basis taking into account the amount outstanding and applicable interest rate.

**Dividend Income**

Dividend is recognised when the company's right to receive dividend is established.

**8) Foreign Currency Transaction:**

Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year / period are translated at year / period end rates.

The difference in translation of monetary assets and liabilities and realized gains and losses on foreign transactions are recognized in the Statement of Profit and Loss.

The premium or discount on forward exchange contracts is recognized in the statement of profit and loss over the period of the contract.

**9) Taxation**

Tax expenses comprise current tax (amount of tax for the period determined in accordance with the Income Tax Regulations in India) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date, Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realized in future; however, when there is unabsorbed depreciation or carry forward losses under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each Balance Sheet date and written down or written up to reflect the amount that is reasonably / virtually certain, as the case may be, to be realized

Tax credit is recognised in respect of Minimum Alternate Tax (MAT) as per the provisions of Section 115JAA of the Income Tax Act, 1961 based on convincing evidence that the Company will pay normal income tax within the statutory time frame and is reviewed at each Balance Sheet date.

**10) Borrowing Cost:**

Borrowing Costs relating to the acquisition/construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charge to revenue.

**11) Earnings Per Share:**

Basic earnings per share is calculated by dividing the net profit after tax for the year / period attributable to Equity Shareholders of the Company by the weighted average number of Equity Shares outstanding at the end of the year / period. Diluted earnings per Share is calculated by dividing net profit attributable to equity Shareholders (after adjustment for diluted earnings) by average number of weighted equity shares outstanding at the end of the year / period.

**12) Provisions, Contingent Liabiliities & Contingent Assets:**

The company recognizes as provisions, the liability being present obligations arising from past events, the settlement of which is expected to result in outflow of resources and which can be measured only by using a substantial degree of estimation. Contingent liabilities are disclosed by way of a note to the financial statement after careful evaluation by the management of the facts and legal aspect of the matters involved. Contingent assets are being neither recognized nor disclosed.

**13) Current Assets, Loans And Advances**

The balance under items of Sundry Debtors, Loans and Advances and current liabilities are subject to confirmation and reconciliation and consequential adjustments, wherever applicable. However, in the opinion of the Management, the realisable value of the current assets, loans and advances in the ordinary course of business will not be less than the value at which they are stated in the Balance Sheet.

**14) Cash Flow**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

**15) Segment Reporting**

*Business Segment*

As the company is dealing in only one segment i.e. trading & Importers and manufactures of organic, inorganic, specialty and food chemicals. hence segment reporting is not applicable. Company does not have distinguishable component of an enterprise that is engaged in providing an individual product or service or group of related product or services and that is subject to risks and returns that are different from those of other business segment.

*Geographical Segment*

The Company operates in only one geographical area hence segment reporting is not applicable.

(D) **NOTES TO THE FINANCIAL STATEMENTS**

**1)** The Company does not have complete information as to which of its supplier are Micro small and Medium Enterprise registered under The Micro small and Medium Enterprise Development Act 2006. Consequently, the liability, if any, of interest which would be payable under The Micro small and Medium Enterprise Development Act 2006, cannot be ascertained. However, the Company has not received any claims in respect of such interest and as such, no provision has been made in the books of accounts.

**2)** Contingent liabilities and commitments (to the extent not provided for) - A disclosure for a contingent liability is also made when there is a possible obligation that may, require an outflow of the Company's resources. Refer Note 22 of the Financial Statements.

**3)** The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required to be provided for.

**4)** The balances of trade payables, trade receivables, loans and advances are unsecured and considered as good are subject to confirmations of respective parties concerned.

**5)** Realizations: In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets and loans and advances are approximately of the same value as stated.

**6)** Figures have been rearranged and regrouped wherever practicable and considered necessary.