Mehul Colours Limited

MASTERBATCHES -- ADDITIVES -- COMPOUNDS

Formerly known as Mehul Colours & Masterbatches Pvt Ltd

8th September, 2026

To,
BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai - 400 001, Maharashtra, India

Ref: Mehul Colours Limited *(Script Code:* ***544472****, Script Id:* ***MEHUL****)*

Sub: Regulation 34 of SEBI (Listing Obligations and Disclosures Requirements), Regulations. 2015 - Annual Report for the financial year 2025-26

Respected Madam/ Sir,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report of the Company for the Financial Year 2025-26, along with the Notice of 31st Annual General Meeting scheduled to be held on Wednesday, 30th September, 2026 at 12.30 pm through video conferencing (VC)/ other audio-visual means (OAVM), which are being dispatched/ sent to the members by the permitted modes. The Annual Report is also uploaded on the website of the Company at www.mehulcolours.com

Kindly take the same on your record and disseminate the same on BSE portal.

Thanking You,

For **Mehul Colours Limited**
(formerly known as Mehul Colours and Masterbatches Limited)

MEHUL PRAVINCHANDRA JOSHI
Digitally signed by MEHUL PRAVINCHANDRA JOSHI
Date: 2026.09.08 15:43:02 +05'30'

Mehul Pravinchandra Joshi
Managing Director
DIN: 00178766

Mehul Colours Limited

31st ANNUAL REPORT

FY 2025-26

COLOURS THAT ADD VALUE

Enhancing Performance. Enabling Possibilities.

MASTERBATCHES | ADDITIVES | COMPOUNDS

COLOURATION | UV RESISTANCE | FLAME RETARDANCY | ANTISTATIC BEHAVIOUR | PROCESSING ENHANCEMENT | OTHER PERFORMANCE ATTRIBUTES

COLOURING TODAY
FOR A BRIGHTER TOMORROW

CORPORATE INFORMATION

31st Annual Report | FY 2025–26

Mehul Colours Limited

BOARD OF DIRECTORS

Mr. Mehul Pravinchandra Joshi
Managing Director

Mrs. Bhakti Mehul Joshi
Whole-Time Director

Mrs. Jyoti Abhay Jain
Non-Executive Independent Director

Mrs. Khyati Chetan Gandhi
Non-Executive Independent Director

Mr. Hiral Rasikbhai Joshi
Non-Executive Non-Independent Director

Mr. Tejas Harish Joshi
Additional Director

KEY MANAGEMENT

Rashmi Rajendra Parab
Chief Financial Officer

Shilpa Karan Mehta
Company Secretary and Compliance Officer

COMMITTEES

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders Relationship Committee

CORRESPONDENCE DETAILS FOR INVESTORS

Mehul Colours Limited
Unit No - A 305,306, Kemp Plaza, Link Road, Chincholi Bunder Road,
Mind space, Malad west, Mumbai - 400064, Maharashtra, India

31ST ANNUAL GENERAL MEETING

Wednesday, 30th September, 2026
11:30 a.m.
through Video Conference (VC) /
Other Audio-Visual Means (OAVM)

INDEX

BOARD'S REPORT

To

The Members,

The Board of Directors of your Company has great pleasure in presenting the 31st Annual Report together with Audited financial statements for the financial year ("FY") ended on 31st March 2026 highlighting the business and operations of the Mehul Colours Limited (earlier known as Mehul Colours and Masterbatches Limited).

1 FINANCIAL HIGHLIGHTS:

For the FY ended 31st March 2026, the Company reported a total income of INR 3,181.16 lakhs, as against INR 2,371.29 lakhs in the previous FY, reflecting a healthy growth.

The Net Profit after Tax (PAT) stood at INR 522.29 lakhs for FY 2025-26, as compared to INR 550.30 lakhs in FY 2024-25.

Amount in INR in lakhs

Particulars	FY 2025-26	FY 2024-25
Revenue from Operations	3,040.32	2,282.20
Other Income	140.84	89.09
Total Income	**3,181.16**	**2,371.29**
Total Expenditure	2,477.68	1,630.92
Profit / (Loss) before Tax	**703.48**	**740.37**
Less: Tax	184.11	192.45
Less: Deferred tax expenses	(2.92)	(2.38)
Profit/ (Loss) after Tax	**522.29**	**550.30**
EPS (Basis & Diluted) in INR	**5.49**	**7.30**

The Company do not have Holding, Subsidiary company or Joint Venture or Associate Company.

2 LISTING OF SHARES ON BSE LIMITED AND ISSUE OF SHARES:

During the FY 2025-26, pursuant to the Initial Public Offer, the Company issued and allotted 30,08,000 equity shares of face value INR 10/- each at an issue price of INR 72 per share (including a securities premium of INR 62 per share). Consequently, the issued, subscribed and paid-up equity share capital of the Company increased from INR 75,41,040 divided into 75,41,040 equity shares to INR 1,05,49,040 divided into 1,05,49,040 equity shares of INR 10/- each. The Company listed on the SME platform of BSE Limited wef 6th August, 2025.

As on 31st March, 2026, the Authorised Share Capital of the Company stands at INR 11,00,00,000 (Rupees Eleven Crores only) divided into 110,00,000 Equity shares of INR 10/- (Rupees Ten each)

During the year under review, no equity shares were bought back and the Company has not issued:

- any shares with differential rights as to dividend, voting or otherwise
- sweat equity shares
- Bonus shares
- Right issue

All the Shares of your Company are Dematerialized as on March 31, 2026. The ISIN of the Equity Shares of your Company is INE1KH601014.

3 DIVIDEND:

With a view to strengthening the financial position and conserving resources for future growth, the Board of directors have not recommended any dividend for the FY 2025-26.

4 TRANSFER TO RESERVES AND SURPLUS:

During the FY 2025-26, the Company has transferred INR 2,119.93 lakhs in Reserves & Surplus of the Company. The Board has decided to retain the profits of the Company in the Statement of Profit and Loss. Consequent to the Initial Public Offer (IPO) of the Company during the year, the securities premium received on issue of equity shares has been credited to the Securities Premium Account. The movement in reserves and surplus during the year is provided in Note No. 3 of the financial statements of the Company.

5 TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

The provisions of Section 125(2) of the Companies Act, 2013 (hereinafter referred to as 'the Act') do not apply to the Company for the year under review.

6 DIRECTORS AND KEY MANAGERIAL PERSONNEL(KMPs):

a) <u>Directors</u>

Directors As on March 31, 2026 the composition of the Board is as follows:

Sr No.	Name	Designation
1.	Mr. Mehul Pravinchandra Joshi (DIN: 00178766)	Managing Director
2.	Mrs. Bhakti Mehul Joshi (DIN: 02376755)	Whole-Time Director
3.	Mrs. Jyoti Abhay Jain (DIN: 07921550)	Non-Executive Independent Director
4.	Mrs. Khyati Chetan Gandhi (DIN: 02781483)	Non-Executive Independent Director
5.	Mr. Hiral Rasikbhai Joshi (DIN: 10998386)	Non-Executive Non-Independent Director

All the Directors of the Company have provided annual confirmation that they are not disqualified from being appointed/continuing as Directors in terms of Section 164 (1) and (2) of the Act.

APPOINTMENT OF MR. TEJAS HARISH JOSHI AS A DIRECTOR

Mr. Tejas Harish Joshi (DIN: 11917872) was appointed as an Additional Director of the Company in the capacity of Executive Director, by the Board of Directors at its meeting held on 5th September, 2026, with effect from that date, pursuant to Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company, on the recommendation of the Nomination and Remuneration Committee.

In terms of Section 161(1) of the Companies Act, 2013, Mr. Tejas Harish Joshi holds office as an Additional Director up to the date of the ensuing 31^{st} AGM. The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director. Accordingly, a resolution seeking the approval of the Members for his appointment as a Director of the Company forms part of the Notice convening the 31st AGM. The Board recommends the said resolution for approval of the Members. The brief profile and other particulars of Mr. Tejas Harish Joshi, as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2), are annexed to the Notice of the 31^{st} AGM.

DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS

All Independent Directors have submitted requisite declarations confirming that they:

1. meet the criteria of independence as prescribed under Section 149(6) of the Act and are independent;
2. have complied with the Code of Conduct laid down under Schedule IV of the Act and
3. they have valid registration with the Independent Director's Databank maintained by the Indian Institute of Corporate Affairs

In the opinion of the Board, the Independent Directors possess the requisite integrity, experience, expertise required under all applicable laws and the policies of the Databank. They fulfil the conditions specified in 'the Act' as well as the Rules made thereunder and are independent of the management.

During the year under review, the Independent Directors of the Company had no pecuniary relationship or transaction with the Company, other than receiving the sitting fees, and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/Committees of the Company.

In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by The Indian Institute of Corporate Affairs, Manesar (''IICA'') and the said registration is active. Further, in terms of Rule 6(4) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, Independent Directors have passed the Online Proficiency Self-Assessment test conducted by IICA.

Directors Retirement by Rotation

Pursuant to the provisions of Section 152 (6) of Companies Act, 2013, Mrs. Bhakti Mehul Joshi (DIN: 02376755), Whole-time Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible, offers herself for re-appointment. The Board of Directors recommend her re-appointment and propose the same for the approval of the members at the ensuing Annual General Meeting of the Company.

b) Key Managerial Personnel

Pursuant to the provisions of Section 203 of Companies Act, 2013, the Key Managerial Personnel of the Company as on March 31, 2026 are as under:

Sr No.	Name	Designation
1.	Mr. Mehul Pravinchandra Joshi	Managing Director
2.	Mrs. Bhakti Mehul Joshi	Whole-Time Director
3.	Mrs. Rashmi Rajendra Parab	Chief Financial Officer
4.	Mrs. Shilpa Karan Mehta	Company Secretary

7 COMMITTEES CONSTITUTED BY BOARD:

Your Company has constituted various Board-level Committees in accordance with the requirements of the Act, the SEBI Listing Regulations, 2015 and basis the business requirements. Each Committee has a clearly defined mandate and operates within the scope of authority delegated by the Board and make specific recommendations to the Board on matters within their area of purview. During the year under review, all the recommendations received from the Committees were accepted by the Board.

The Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee collectively support the Board in discharging its governance responsibilities. The composition, role and functioning of these Committees is in compliance with the provisions of the Act, SEBI Listing Regulations, 2015, as applicable.

8 COMPOSITION OF AUDIT COMMITTEE

The Audit Committee of the Company had been constituted and functions in accordance with provisions of Section 177 of 'the Act' and SEBI Listing Regulations 2015. All members of the Committee are financially literate
and the Chairperson possesses strong accounting and financial management knowledge.

During the year under review, Audit Committee met 4 (Four) times i.e. on 19th May, 2025, 2nd August, 2025, 12th November, 2025 and 28th February, 2026; and the gap between two Meetings did not exceed 120 days.

The details of composition of the Committee for the FY ended on March 31, 2026 is as under:

Name	Designation in Committee	Category
Jyoti Abhay Jain	Chairman	Non-Executive Independent Director
Khyati Chetan Ghandhi	Member	Non-Executive Independent Director
Mehul Pravinchandra Joshi	Member	Managing Director

The Company Secretary of the Company is to act as the Secretary of the Nomination and Remuneration Committee

9 NOMINATION AND REMUNERATION COMMITTEE

The composition of the Nomination and Remuneration Committee is in compliance with the requirements of Section 178 of the Act. The Nomination and Remuneration Committee met 2 (two) times i.e. on 19th May, 2025 and 12th November, 2025.

Name	Designation in Committee	Category
Jyoti Abhay Jain	Chairman	Non-Executive Independent Director
Khyati Chetan Ghandhi	Member	Non-Executive Independent Director
Hiral Rasikbhai Joshi	Member	Non-Executive Director
Mehul Pravinchandra Joshi	Member	Managing Director

The Company Secretary of the Company is to act as the Secretary of the Nomination and Remuneration Committee

10 STAKEHOLDER'S RELATIONSHIP COMMITTEE

The Stakeholders Committee met 2 (two) times i.e. on 19th May, 2025 and 12th November, 2025.

Name	Designation in Committee	Category
Jyoti Abhay Jain	Chairman	Non-Executive Independent Director
Khyati Chetan Ghandhi	Member	Non-Executive Independent Director
Bhakti Mehul Joshi	Member	Whole-Time Director

The Company Secretary of the Company is to act as the Secretary of the Stakeholders Relationship Committee

11 MEETINGS OF THE BOARD:

The Board met 6 (Six) times during the FY under review, i.e. 19th May, 2025, 16th July, 2025, 2nd August, 2025, 4th August, 2025, 12th November, 2025 and 28th February, 2026. The intervening gap between two consecutive meetings was not more than 120 days. The requisite quorum was present at all the Board Meetings.

The 30th Annual General Meeting of the Members of the Company was held on 4th August, 2025. During the year under review, no Extraordinary General Meeting of the Members was held.

12 CORPORATE GOVERNANCE:

Your Company strives to incorporate the appropriate standards for corporate governance. However, pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is not required to mandatorily comply with the provisions of certain regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and therefore the Company has not provided a separate report on Corporate Governance. However, your Company regards good corporate governance as a matter of conviction rather than mere regulatory obligation. It therefore voluntarily complies with several of the exempted regulations, and details of such voluntary compliance are provided in this report under the respective headings.

13 MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report for the year under review, in terms of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'the SEBI LODR Regulations') forms part this Annual Report.

14 SEPARATE MEETING OF INDEPENDENT DIRECTORS:

During the year under review, a separate meeting of the Independent Directors of the Company was held 12th November, 2025, in accordance with Schedule IV of the Companies

Act, 2013 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, without the attendance of Non-Independent Directors and members of the management. At the said meeting, the Independent Directors, inter alia, reviewed the performance of the Non-Independent Directors and the Board as a whole, reviewed the performance of the Chairperson of the Company, and assessed the quality, quantity and timeliness of the flow of information between the management and the Board.

15 FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The Company has in place a Familiarisation Programme for Independent Directors to familiarise them with their roles, rights and responsibilities in the Company, the nature of the industry in which the Company operates, the business model of the Company, and other relevant matters. The details of the Familiarisation Programme are available on the website of the Company at www.mehulcolours.com.

16 ANNUAL EVALUATION OF PERFORMANCE OF THE BOARD:

Pursuant to the provisions of the Companies Act, 2013 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of its own performance and that of its committees and individual Directors. The performance of the Board was evaluated after seeking inputs from all the Directors on the basis of criteria such as the Board composition and structure, effectiveness of Board processes, and information and functioning. The performance of the Committees was evaluated on the basis of criteria such as composition, effectiveness of meetings, and contribution to the decision-making of the Board. The Directors expressed their satisfaction with the evaluation process.

17 ADOPTION OF VARIOUS POLICIES

The Company has following policies in place, as per provisions of Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1) Archival Policy
2) Code Of Conduct of Board & Senior Management
3) Familiarizations Programme for Independent Directors
4) Criteria of Making Payments to Non-Executive Directors
5) Nomination And Remuneration Policy
6) Policy for preservation of documents
7) Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
8) Policy for Determination of Materiality of Events or Information
9) Policy on Diversity of Board of Directors

10) Policy on Identification of Group Companies, Identification of Material Outstanding Creditors and Identification of Material Outstanding Litigations
11) Policy on Materiality of Related Party Transactions
12) Policy for Determining Material Subsidiary(ies)
13) Policy on Prevention of Sexual Harassment at Workplace
14) Terms and Conditions of Appointment of Independent Directors
15) Vigil Mechanism & Whistle Blower Policy
16) Policy on Orderly Succession Planning for the Board of Directors and Senior Management

All above policies are available on the website of the company and accessible at www.mehulcolours.com

18 CORPORATE SOCIAL RESPONSIBILTY POLICY

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company was required to undertake CSR activities during FY 2025-26, based on the satisfying conditions of thresholds limits.

The Annual Report on CSR activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached to this report as Annexure 1.

19 DIRECTORS RESPONSIBILITY STATEMENT:

The Board of Directors in terms of Section 134 (3) (c) states that:

a. In the preparation of the annual accounts for the year ended 31st March 2026, the applicable accounting standards have been followed along with proper explanation relating to material departures.
b. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the FY and of the Profit and Loss of the Company for that year.
c. The Directors have 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 have prepared the annual accounts on an accrual basis under cost convention.
e. the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
f. The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

20 ANNUAL RETURN:

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company for the FY 2025–26 is available on the Company's website at the following link at www.mehulcolours.com

21 AUDITORS AND AUDITOR'S REPORT:

M/s. Y M S & Co LLP, Chartered Accountants, Mumbai (Firm Registration No. 143858W/W100859), were appointed as the Statutory Auditors of the Company at the 30th Annual General Meeting to hold office for a term of five (5) consecutive years, i.e., from the conclusion of the 30th Annual General Meeting until the conclusion of the 35th Annual General Meeting (FY 2025-26 to FY 2029-30). Accordingly, M/s. Y M S & Co LLP continued as the Statutory Auditors of the Company during the FY 2025-26. The requirement of ratification of the appointment of the Statutory Auditors by the Members at every Annual General Meeting has been dispensed with pursuant to the amendment to Section 139 of the Companies Act, 2013.

The Statutory Auditors have confirmed their eligibility and that they are not disqualified from continuing as Statutory Auditors of the Company. Further, they hold a valid Peer Review Certificate No. 019307 issued by the ICAI, valid from 10th January, 2025 to 31st January, 2028.

22 AUDITOR'S REPORT:

The Audit Report dated 30th May, 2026 issued by YMS & Co. LLP, Statutory Auditors on the Company's financial statements for the FY ended 2025-26 is part of Annual Report. The Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. There are no qualifications or observations made by the Statutory Auditor in the said Report. During, FY 2025-26, the Statutory Auditors had not reported any matter under Section 143(12) of the Act and therefore, no detail is required to be disclosed under Section 134(3) of the Act.

23 INTERNAL AUDITORS

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with the applicable Rules, and consequent to the listing of the equity shares of the Company on the SME Platform of BSE Limited, the Board of Directors, on the recommendation of the Audit Committee, appointed M/s. N A Jain & Associates, Practising Chartered Accountants, Mumbai, as the Internal Auditors of the Company for the FY 2025-26 and 2026-27, to conduct the internal audit of the Company and to report thereon. The Internal Auditors have carried out the internal audit for the FY 2025-26 and the reports were reviewed by the Audit Committee.

The Board will continue to review and ensure that adequate internal controls and risk management processes are in place.

24 INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY:

Your Company has an adequate internal controls system, commensurate with the size, scale, nature and complexity of its business. The system is supported by documented policies, guidelines and procedures to monitor business and operational performance which are aimed at ensuring business integrity and promoting operational efficiency.

Further the Company has in place adequate internal financial controls with reference to Financial Statements and such controls were operating effectively as at March 31, 2026. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations. During the year, such controls were tested and no reportable weaknesses in the design or operations were observed.

25 VIGIL MECHANISM:

The Company has established a vigil mechanism by adopting Whistle Blower Policy pursuant to which whistle blowers can raise concerns in a prescribed manner. Further, the mechanism adopted by the Company encourages a whistle blower to report genuine concerns or grievances and provides for adequate safeguards against victimization of the whistle blower who avails such mechanism as well as direct access to the Chairman of the Audit Committee. The functioning of the vigil mechanism is reviewed by the Audit Committee from time to time. None of the whistle blowers have been denied access to the Audit Committee of the Board. The Vigil Mechanism/Whistle Blower Policy is available on the website of the Company at www.mehulcolours.com.

26 DEPOSITS:

The Company has not accepted deposits either from members or public within the meaning of section 73 or 76 of Companies Act, 2013 read with Rules made thereunder.

27 LOANS FROM DIRECTORS:

During the year under review the Company has not obtained any unsecured loans from Directors of the Company.

28 MATERIAL CHANGES OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There have been no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the FY to which the financial statements relate and the date of the report.

29 UTILISATION OF IPO PROCEEDS:

The Company raised an amount of INR 21.66 crores through the Initial Public Offer of its equity shares on the SME Platform of BSE Limited. There has been no deviation or variation in the utilisation of the proceeds of the Issue from the objects stated in the Prospectus.

30 RISK MANAGEMENT:

The Risk Management Policy is in compliance with Section 134(3) (n) of the Companies Act 2013 which requires the Company to lay down procedure for risk assessment and procedure for risk minimization. The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

The Board ensures that all the current and future material risk exposures of the company are identified, assessed, quantified, appropriately mitigated, minimized and managed i.e. to ensure adequate systems for risk management. The Company enables compliance with all appropriate laws and regulations, wherever applicable, through the adoption of best practices.

The Board of Directors of the Company periodically reviews and evaluates the risk management system of the Company so that the management controls the risks through properly defined network.

31 RELATED PARTY TRANSACTIONS:

The Company entered transaction with the related parties within the meaning of Section 188 of the Companies Act, 2013 during the year under review. A detailed report in Form AOC-2 on contracts and arrangements made during the FY, at ordinary course of business and at arm's length transactions have been reported in Annexure 2 and attached hereto in this report. The disclosure of transactions with Related Party for the year under review is given in Notes no. 29 to the Balance Sheet.

32 PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

During the year under review, the Company did not grant any loan or provide any guarantee as per the provisions of section 186 of the Companies Act, 2013.

33 SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors, on the recommendation of the Audit Committee, appointed M/s. H. Roshan & Associates, Practising Company Secretaries, Nagpur (Peer Review Certificate No. 1442/2021), as the Secretarial Auditors of the Company to conduct the Secretarial Audit for the FY 2025-26 and 2026-27. The Secretarial Audit Report for the FY 2025-26 in Form MR-3 is annexed to this Report as Annexure 3. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

The Board ensures that adequate corporate governance practices and compliance mechanisms are in place and are periodically reviewed.

34 COST RECORD AND COST AUDIT REPORT:

The provisions of Section 148 of the Companies Act, 2013 regarding maintenance of cost records and audit of cost accounts are not applicable to the Company for the FY 2025-26, as the Company does not fall under the class of companies required to maintain cost records under the Companies (Cost Records and Audit) Rules, 2014.

The Company continues to maintain proper internal records and systems for effective financial and operational management.

35 CONSERVATION OF ENERGY:

Particulars with respect to conservation of energy pursuant to rule 8(3)A of the Companies (Accounts) Rules 2014:

<u>Steps taken or impact on conservation of energy:</u>

Energy is a significant input in the Company's compounding and masterbatch manufacturing operations, and the Company remains conscious of the need to use it efficiently. During the year under review, the Company continued to monitor consumption at the plant level and adopted measures to improve energy efficiency, including insulation of extruder barrels and heating zones to reduce heat loss, use of energy-efficient motors and variable frequency drives on extruders, blowers and pumps, scheduled preventive maintenance of compressors, chillers and cooling towers to sustain rated efficiency, replacement of conventional lighting with LED fittings across the factory and office premises, and improvement in the power factor through capacitor banks. Production planning has also been aligned to reduce idle running of machinery and to minimise start-up and changeover losses. These measures have contributed to a reduction in energy consumption per unit of production. The Company will continue to review its processes and equipment and implement further energy-saving measures wherever technically and commercially feasible.

<u>Steps taken by the Company for utilizing alternate sources of energy:</u>

The Company recognises the importance of reducing its dependence on conventional sources of energy. During the year, the Company evaluated the feasibility of installing a rooftop solar photovoltaic system at its manufacturing facility at Sativali, Vasai, and continues to assess the technical and commercial viability of sourcing renewable power. The Company also makes optimum use of natural light and ventilation in its plant and office premises to reduce reliance on grid power. The Company will continue to explore opportunities to increase the share of renewable energy in its overall energy mix as such options become viable.

Capital investment on energy conservation equipment's: NIL

36 TECHNOLOGY ABSORPTION:

Particulars with respect to technology absorption pursuant to Rule 8(3) B of the Companies (Accounts) Rules 2014 are not given since the Company has not spent any amount towards technology absorption.

37 FOREIGN EXCHANGE EARNING AND OUTGO:

Information pursuant to Rule 8(3) C of the Companies (Accounts) Rules

Particulars	FY 2025-26	FY 2024-25
Earnings in Foreign Currency (in USD)	4,60,533	1,89,300
Earnings in Foreign Currency (in INR Lakhs)	409.39	155.79
Expenditure Incurred in Foreign Currency (in USD)	15,792	15,316
Expenditure Incurred in Foreign Currency (in INR Lakhs)	13.96	13.30

38 PARTICULARS OF THE EMPLOYEES AND RELATED DISCLOSURES

Information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure 4 of the Board's Report.

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

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There were no complaints reported under the Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Following are other details:

Sr. No.	Particulars	
1.	Number of compliant received	NIL
2.	Number of compliant disposed	NIL
3.	Number of cases pending over 90 days	NIL

40 DISCLOSURE UNDER MATERNITY BENEFIT ACT,1961

The Company ensures adherence to all applicable provisions of the Maternity Benefit Act, 1961. All statutory benefits and entitlements prescribed under the Act are duly extended to eligible employees, if any, in alignment with the Company's commitment to legal compliance and employee welfare.

41 PREVENTION OF INSIDER TRADING:

Consequent to the listing of its equity shares, the Company has adopted a Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI), in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code, inter alia, prohibits trading in the securities of the Company by the Directors, Designated Persons and connected persons while in possession of UPSI, and regulates trading during the closure of the trading window. The Company has also put in place a Structured Digital Database (SDD) for maintaining the records of UPSI and the persons with whom such information is shared. The Board is responsible for the implementation of the Code, and the Company has complied with the said Regulations during the year under review.

42 CEO / CFO CERTIFICATION:

The Chief Executive Officer / Managing Director and the Chief Financial Officer of the Company have furnished the requisite certification to the Board in respect of the financial statements and the cash flow statement for the FY ended 31st March, 2026, to the extent applicable to the Company.

43 GENERAL:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review.

a) No significant orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
b) There was no change in the nature of business.
c) Provisions relating to Vigil Mechanism have been complied with by the Company.
d) There was no instance of a one-time settlement with any Bank or Financial Institution,
e) The Board confirms that there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016 initiated by or against the Company.
f) The Board confirms that no offence or fraud has been committed in the Company or by its officers or employees pursuant to Section 143(12) of the Act.
g) No cases of child labour forced labour, involuntary labour, sexual harassment and discriminatory employment were reported in the FY 2025-26.
h) The Company has complied with the applicability of Secretarial Standards issued by ICSI.

44 ACKNOWLEDGEMENT:

The Directors convey their sincere gratitude and warm appreciation to the Shareholders, BSE Limited, Suppliers, Vendors, Employees, Consultants, Bankers, and various Government authorities for their wholehearted cooperation and valuable support, and look forward to their continued association in the future.

Your directors also wish to place on record their deep sense of appreciation for the commitment and services by the Company’s executives, staff and workers.

For and on behalf of the Board of Directors of
MEHUL COLOURS LIMITED

	Sd/-	**Sd/-**
	Mehul Pravinchandra Joshi	**Bhakti Mehul Joshi**
Place: Mumbai	**(DIN: 00178766)**	**(DIN: 02376755)**
Dated: 5th September, 2026	**Managing Director**	**Whole-Time Director**

Annexure 1 to the Board's Report

Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

CSR POLICY:

The Company subscribes to a philosophy of conducting business in a sustainable manner that benefits all its stakeholders, including the wider society. Guided by its corporate values, the Company endeavours to contribute actively to the social and economic development of the communities in which it operates. The Company has always believed in giving back to society and recognises the role and responsibility that come with being a corporate citizen, with social values being ingrained in its culture and in its manner of working. The Company proposes to undertake CSR projects, programmes and activities from time to time, guided by its CSR philosophy and confined to the activities permitted under the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time. The selection, modification and implementation of such projects, programmes and activities shall remain within the discretion of the Company.

Without prejudice to the generality of the aforesaid, the company may from time to time undertake any project, program and activity on one or more of the following areas:

- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water.

- Contributing to the education of children from low-income families, particularly those of poor farmers in the local area, implementing various educational initiatives, such as scholarships, school infrastructure development, and access to learning resources. By investing in these areas, we aim to bridge the educational gap and enable children from poor farming families to thrive academically.

- Through partnerships with local schools and nonprofit organizations, providing financial support for tuition fees, school supplies, and transportation, ensuring that children from poor farming backgrounds can attend school regularly and without financial burden

- Promoting education, including special education through various activities including organizing schools' development projects/programs, by organizing special sessions in schools, etc.

- Promoting education through various activities including providing support to educational institutions, centres for non-formal education, tent school programs, schools at various sites like construction sites, etc.

- Employment enhancing vocation skills especially among children and women through various activities including child care centres, anganwadi programs, livelihood enhancement projects, vocational training programs, etc.,

- Empowering women through various activities including child care centres, anganwadi program, etc.,

- Promoting awareness of preventive health care through various activities including organizing campaigns, awareness sessions, events, marathons, etc. with reference to various ailments such as diabetes, hypertension, cardiac, etc.

- Any other projects, programs and activities falling within the permissible activities prescribed under Companies Act, 2013, rules made thereunder, any circular/notification/guidelines/clarification issued thereunder.

MODE OF CARRYING OUT CSR ACTIVITIES
The Company may undertake its CSR activities directly, or through a registered trust, a registered society or a company incorporated under Section 8 of the Companies Act, 2013, or through any one or more of the other modes permitted under the Companies Act, 2013 and the Rules framed thereunder, in such manner as it deems fit. The Company may also collaborate with other companies in undertaking CSR projects, programmes and activities, in such manner as it considers appropriate.

NON - APPLICABILITY OF CSR COMMITTEE
Pursuant to the Section 135(9) of the Companies Act, 2013 and rules made thereunder, where the amount to be spent by a company under sub-section 135(5) of the Companies Act, 2013 does not exceed INR 50 Lakhs p.a., the requirement of constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee provided shall be discharged by the Board of Directors of such company. Total amount of spending for the Company is INR 10.84 lakhs for FY 2025-26 and hence, CSR committee is not formed and all the functions are discharged by the Board of Directors.

The Board of Directors perform the following roles, powers and responsibility:
(i) Formulate and recommend the CSR Policy and any amendments thereto.
(ii) Develop and approve various CSR projects, programs and activities to be undertaken from time to time either directly by the Company or through other entities.
(iii) Determine modalities of execution of such CSR projects, programs and activities.
(iv) Undertake all necessary steps to implement the CSR activities.
(v) Authorise and approve CSR expenditure from time to time subject to the limits approved by the Board of Directors.
(vi) Monitor the CSR activities in such manner as it deems fit.
(vii) Carry out all such acts, deeds, matters and things as may be required in connection with aforesaid matters and generally for any matter connected with the CSR policy of the Company,

CSR SPENDING
The Company may, in every FY, spend such amounts on its CSR activities as the Board may authorise from time to time, subject to the limits as approved by the Board of Directors. Any surplus arising out of CSR projects, programs and activities shall not form part of the business profits of the Company.

MONITORING PROCESS

The Board shall monitor the implementation of various programs, projects and activities in such manner as it deems fit. The Board shall also determine the manner of submission of information, reports, files, etc. by third parties as a part of the monitoring process. C The Board shall ensure that a transparent monitoring mechanism is put in place.

Without prejudice to the generality of the contents of this policy, the Company may undertake CSR projects, programs and activities as permitted under the framework of Companies Act, 2013 from time to time (including any amendments, clarifications, circulars, notifications or other official communications from time to time). The Company may also carry out the purposes of this CSR policy in accordance with any amended position of law from time to time notwithstanding that such amended position is not reflected in this policy.

ANNUAL REPORT ON CSR ACTIVITIES

Your Company is committed to promoting the well-being of the society in which it operates. The CSR Committee of the Company exercises due care in identifying projects falling within the scope of the Company's CSR Policy, and in executing and monitoring the identified projects promptly, in association with local charitable and not-for-profit organisations. In the coming years, the Company will continue to assess fresh projects and explore new geographies for undertaking CSR activities under its CSR Policy, and will remain committed to meeting its CSR obligations on an annual basis.

1. OUTLINE OF THE CSR POLICY:

    - The Corporate Social Responsibility (CSR) Policy of the Company covers the causes that Company may pursue as its CSR.
    - Based on the profit for each FY, the CSR Committee shall indicate the amount to be spent during the year.
    - The procedure for approval of the project(s), investment/incurring costs and monitoring is also laid down in the policy.
    - The said CSR Policy and the activity to be pursued by the Company are placed under the web link: www.mehulcolours.com

2. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable

3. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the FY, if any: Not Applicable

4. Average net profit for immediately preceding 3 (three) FYs for CSR amount to be spent during FY 2025-26:

Particulars	INR In Lakhs
Profit/(Loss) – FY 2022-23	442.26
Profit/(Loss) – FY 2023-24	443.29
Profit/(Loss) – FY 2024-25	740.37
TOTAL NET PROFIT FOR IMMEDIATELY PRECEDING 3 FYs	**1,625.93**
Average Profit	**541.98**
2% of Average Profit of immediately preceding 3 FYs	**10.84**

5.
   a. 2% of average net profit of the company as per section 135(5): INR 10.84 lakhs.
   b. Surplus arising out of the CSR projects or programs or activities of the previous FYs: NIL
   c. Amount required to be set off for the FY, if any: NIL
   d. Total CSR obligation for the FY (5a+5b-5c): INR 10.84 lakhs.

6.
   a. CSR amount spent or unspent for the FY:

Total Amount Spent for the FY 2025-26 (in Lakhs)	Amount Unspent (INR in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
10.84	-	-	-	-	-

   b. Details of CSR amount spent in the FY for ongoing projects of the preceding FYs: Not Applicable
   c. Details of CSR amount spent against other than ongoing projects for the FY:

1	2	3	4	5	6	7	8
Sr. No	CSR project or activity Identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs	Amount outlay (budget) project or programs wise (in INR)	Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads (in INR)	Cumulative expenditure upto the reporting period (in INR)	Amount spent: Direct or through implementing agency

1.	Healthcare	Promoting health care including preventive health care	Madhya Pradesh	NA	Direct: 10.84 Lakhs Overheads: NIL	10.84 Lakhs	Implementing Agency: Well Wisher Education and Social Welfare Society [CSR Registration No.: CSR00017349]

d. Amount spent in Administrative Overheads: NIL
e. Amount spent on Impact Assessment, if applicable: NOT APPLICABLE
f. Total amount spent for the FY (6b+6c+6d+6e): INR 10.84 lakhs
g. Excess amount for set off, if any: NIL

Sl. No.	Particulars	(INR in Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	10.84
(ii)	Total amount spent for the FY	10.84
(iii)	Excess amount spent for the FY [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous FYs, if any	Nil
(v)	Amount available for set off in succeeding FYs [(iii)-(iv)]	Nil

7.
a. Details of Unspent CSR amount for the preceding 3 (three) FYs: NIL
b. Details of CSR amount spent in the FY for ongoing projects of the preceding FYs: Not Applicable

8. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the FY: Not Applicable

(Asset-wise details): Not Applicable
a. Date of creation or acquisition of the capital asset(s).
b. Amount of CSR spent for creation or acquisition of capital asset.
c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
d. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

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

10. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

We hereby confirm that the implementation and monitoring of CSR Policy is in compliance with the CSR objectives and Policy of the Company.

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Annexure 2 to the Board's Report

Form AOC-2

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

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

1) Details of contracts or arrangements or transactions not at arm's length basis: NIL

   There were no contacts or arrangements or transactions entered in to during the year ended March 31, 2026, which were not at Arm's length.

2) Details of material contracts or arrangement or transactions at arm's length basis:

   The details of contacts or arrangements or transactions Arm's length basis for the year ended March 31, 2026 are as follows:

a. Names(s) of the related party and nature of relationship: As per Annexure to AOC -2

b. Nature of contracts/ Arrangements/ Transactions: As per Annexure to AOC -2

c. Duration of the contracts /Arrangements/ Transactions: As per Annexure to AOC -2

d. Salient terms of the contracts or arrangements or transactions including the value, if any:

   No salient terms defined for the transactions with the related parties.

e. Date(s) of approval by Audit Committee: 19th May, 2025 (Omnibus Approval)

f. Amount paid as advances during the FY 2025-26, if any: As per Annexure to AOC -2

ANNEXURE TO AOC -2

Name of the Related Party	Nature of Relationship	Duration of the contracts / arrangements / transaction	Nature of contracts/Arrangements/ Transactions	INR in Lakhs
Mehul Pravinchandra Joshi	Managing Director	All transactions of the Company with the related parties were in the ordinary course of business of the Company and were entered into on an arm's length and hence approval of the Board for entering into such	Directors Remuneration	33.80
Mehul Pravinchandra Joshi	Managing Director		Rent	27.00
Bhakti Mehul Joshi	Whole-Time Director		Directors Remuneration	31.20
Bhakti Mehul Joshi	Whole-Time Director		Rent	22.80
Pravinchandra Girdharlal Joshi	Relative of Director		Rent	8.40

Usha Pravinchandra Joshi	Relative of Director	transactions were not required. Nonetheless, the Board regularly takes note of all the related party transactions from time to time.	Rent	4.20
Rashmi Rajendra Parab	Key Managerial Personnel		Remuneration	3.98
Shilpa Karan Mehta	Key Managerial Personnel		Remuneration	3.00

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Annexure 3 to the Board's Report

SECRETARIAL AUDIT REPORT

For the financial year ended 31st March 2026

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

To,

The Members,

MEHUL COLOURS LIMITED

Unit No - A 305,306, Kemp Plaza, Link Road, Chincholi Bunder Road, Mind Space, Near Evershine Mall, Malad West, Mumbai, Malad West, Maharashtra, India, 400064

1. I have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by MEHUL COLOURS LIMITED (formerly known as Mehul Colours and Masterbatches Limited) (herein after called 'the company') Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

    i. Managements Responsibility for Secretarial Compliances
    The Company's Management is responsible for preparation and maintenance of Secretarial Records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

    ii. Auditors Responsibility
    My responsibility is to express an opinion on the Secretarial records, standards and procedures followed by the Company with respect to Secretarial Compliances.

I believe that audit evidence and information obtained from the company's management is adequate and appropriate for us to provide a basis for my opinion.

2. I have examined the papers, minute books, forms, returns filed and other records maintained by the Company for the financial year ended on 31st March, 2026 provided to me through electronic mode. No physical verification of any document / record was possible. Based on my examination as aforesaid and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

3. 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
4. , according to the provisions of:
   i. The Companies Act, 2013 (the Act) and the Rules made there under;
   ii. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the Rules made thereunder;
   iii. The Depositors Act, 1996 and the Regulations and Bye laws framed there under;
   iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; which is not applicable to the Company during the year under review;
   v. The following Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992, (SEBI Act):
      A. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
      B. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011.
      C. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
      D. The Securities and Exchange Board of India (Issue of capital and Disclosure of requirements) Regulations, 2018.
      E. The Securities and exchange Board of India (Employees Stock option scheme and employees stock purchase scheme) Guidelines, 1999- *Not applicable to the company during the financial year*
      F. The Securities and Exchange Board of India (Issue and listing of Debt Securities) Regulations 2008- *Not applicable to the company during the financial year*
      G. 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.
      H. The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009- *Not applicable to the company during the financial year*
      I. The Securities and Exchange Board of India (Buy back of securities) Regulations, 2018- *Not applicable to the company during the financial year*

I have also examined compliance with the applicable clauses of the following –

a) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board meeting and general meetings.
b) Listing agreement entered into by the Company with Bombay Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Adequate notice was given to all Directors to schedule the Board meetings, agenda and detailed notes on agenda were sent seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee(s) Meetings are carried through unanimously as recorded in the meetings of the Board and Committee(s) of the Board, as the case may be.

I further report that there are adequate systems and process in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Nagpur, Date: 31st August, 2026

For H. ROSHAN & ASSOCIATES
COMPANY SECRETARIES

Sd/-
CS ROSHAN HARDE
(PROPRIETOR)
Mem. No. F14182
CP. No. 13138
UDIN: F014182H001317099

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

ANNEXURE-A TO THE SECRETARIAL AUDIT REPORT

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on the 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 secretarial records. I believe that the processes and practices I followed 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 as it is a part of financial audit.

4. I have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, etc., wherever required.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, 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.

Nagpur, Date: 31st August, 2026

For H. ROSHAN & ASSOCIATES
COMPANY SECRETARIES

Sd/-
CS ROSHAN HARDE
(PROPRIETOR)
Mem. No. F14182
CP. No. 13138

Annexure 4 to the Board's Report

PARTICULARS OF EMPLOYEES

Pursuant to Section 197 of the Companies Act read with Rule 5(1) of the Companies *(Appointment and Remuneration of Managerial Personnel) Rules, 2014)*

Part 1

(Details pertaining to Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

1. Employed throughout the FY, was in receipt of remuneration exceeding INR 102 Lakhs, in the aggregate – *No such employee, hence no details are given in this annexure*; and

2. Employed for a part of the FY, was in receipt of remuneration exceeding INR 8.50 Lakhs per month — *No such employee, hence no details are given in this annexure; and*

3. Employed throughout the FY or part thereof, was in receipt of remuneration, in aggregate, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company *– As per Annexure 2-A – No such employee, hence no details are given in this annexure.*

4. Names of Top 10 Employees in terms of Remuneration drawn*:* The information required under Section 197 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors/ employees of the Company available on the website of the Company at www.mehulcolours.com

Part 2

(i) The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the FY 2025-26:

Name and Designation of the Director	Ratio to Median Remuneration
Mr. Mehul Pravinchandra Joshi, Managing Director	12.64
Mrs. Bhakti Mehul Joshi, Whole Time Director	11.66
Mrs. Jyoti Abhay Jain, Non-Executive Independent Director	NIL
Mrs. Khyati Chetan Gandhi, Non-Executive Independent Director	NIL
Mr. Hiral Rasikbhai Joshi, Non-Executive Non-Independent Director	NIL

Independent Directors & Non-Executive Non-Independent Director were paid only sitting fees during year under review. Hence, their Ratio to Median Remuneration has been shown as NIL.

(ii) The percentage increase in remuneration of Managing Director, Whole Time Director, Chief Financial Officer, Company Secretary, other Non-Executive Directors of the Company, for FY 2025-26:

Name & Designation	Ratio to Median remuneration	% increase/ decrease in Remuneration
Mr. Mehul Pravinchandra Joshi, MD	12.64	-
Mrs. Bhakti Mehul Joshi, WTD	11.66	-
Key Managerial Personnel		
Mrs. Rashmi Rajendra Parab, CFO*	1.49	NA
Mrs. Shilpa Karan Mehta, CS*	1.12	NA

**Since Mrs. Rashmi Rajendra Parab & Mrs. Shilpa Karan Mehta were appointed as CFO and CS respectively on 12th March, 2025, figures of % increase/ decrease are not comparable*.

Legends: MD - Managing Director; WTD – Whole time Director; CFO – Chief Financial Officer; I-NED - Independent Non-Executive Director; NI-NED – Non-Independent Non-Executive Director; CS - Company Secretary

Note: Median remuneration of all the employees of the Company (Excluding Managing Director and Whole Time Director of the Company) for the FY 2025-26 is INR 2,67,499.

(iii) The percentage increase/ decrease in the median remuneration of all employees in the FY 2025-26 is 8.76%

(iv) The number of permanent employees on the rolls of Company

There were 34 (thirty-four) permanent employees (excluding Managing Director and Whole Time Director) as on March 31, 2026.

(v) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last FY and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration** – *As per industrial standards.*

(vi) Affirmation that the remuneration is as per the Remuneration Policy of the Company

Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, KMPs, Senior Management and other employees of the Company is as per the Remuneration Policy of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC OVERVIEW

Global Economy

During the financial year 2025-26, the global economy demonstrated moderate resilience despite persistent geopolitical tensions, trade-policy uncertainty, energy-price volatility and uneven growth across major markets. While inflation moderated across several advanced economies compared with the elevated levels of earlier years, monetary policy remained relatively cautious, resulting in a mixed global growth environment. According to the International Monetary Fund, global growth is projected in the range of approximately 3.0% to 3.3% for the calendar year 2026, supported by gradual stabilisation of inflation, improving supply-chain conditions and technology-led investment, even as geopolitical conflicts, evolving global tariff structures and energy-market fluctuations continue to influence business sentiment and investment decisions.

The chemicals, petrochemicals and polymer industries experienced relatively improved supply conditions compared with previous years; however, fluctuations in crude oil prices and feedstock costs continued to affect operating margins across the value chain. As a manufacturer whose raw-material basket is linked to petrochemical and pigment feedstocks, the Company remained watchful of these input-cost cycles and their bearing on margins during the year.

Indian Economy

India continued to be one of the fastest-growing major economies in the world during FY 2025-26, supported by strong domestic demand, robust government capital expenditure, expanding manufacturing activity and sustained consumption. Various multilateral institutions projected India's growth broadly in the range of 6.3% to 6.8%, reinforcing its position among the fastest-growing large economies globally. Government initiatives such as Make in India, the Production-Linked Incentive (PLI) schemes, the National Logistics Policy, PM Gati Shakti and continued infrastructure investment contributed meaningfully to strengthening the domestic manufacturing ecosystem and industrial competitiveness.

At the same time, the industry continued to face challenges from crude-oil price fluctuations, volatility in polymer-resin and pigment costs, foreign-exchange movements and an increasing regulatory focus on plastic-waste management, recycling and sustainability. This growing emphasis on the circular economy has accelerated industry efforts towards recyclable materials, recycled-polymer applications and environmentally responsible manufacturing. Overall, this domestic backdrop remains broadly supportive for the Company, with sustained consumption and infrastructure-linked demand underpinning off-take, even as imported feedstock costs and rupee volatility remain pass-through risks that the Company continues to manage.

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Company is engaged in the manufacture and sale of masterbatches, additives and compounds, which form a critical segment of the plastics value chain. Masterbatches are concentrated mixtures of pigments, additives, fillers and carrier resins that are incorporated into polymer matrices during processing to impart specific properties such as coloration, ultraviolet resistance, flame retardancy, antistatic behaviour, processing enhancement and other performance attributes.

The global and Indian masterbatch industry continues to evolve from a commodity-driven market towards a technology-oriented and application-focused industry. Increasing demand for customised solutions, product differentiation, sustainability and regulatory compliance has accelerated the adoption of specialty and high-performance masterbatches across multiple end-user industries. Demand is closely linked to the growth of downstream plastics-processing industries, with packaging accounting for the largest share of consumption, followed by automotive, agriculture, consumer durables, infrastructure, healthcare, electrical and electronics, and textiles.

In India, the masterbatch industry has witnessed consistent growth driven by rising polymer consumption, increasing urbanisation, expanding manufacturing activity and strong demand from the packaging and consumer sectors. The industry comprises both organised and unorganised participants; while commodity-grade products face intense price competition, the market is increasingly shifting towards value-added and specialised applications where technical expertise, product innovation, quality consistency and customer support drive competitive differentiation. Growing demand for high-performance polymers, specialty compounds, renewable-energy applications, healthcare products and sustainable packaging solutions is expected to create new growth avenues for the industry over the medium to long term.

BUSINESS OUTLOOK, OPPORTUNITIES AND THREATS

Outlook

The outlook for the masterbatch, additives and compounds industry remains constructive, supported by favourable macro-economic conditions, expanding industrial activity, increasing polymer consumption and growing demand for specialised applications across end-user industries. India's position as one of the fastest-growing major economies, together with government initiatives aimed at strengthening domestic manufacturing, is expected to provide sustained growth opportunities for the plastics and polymer-processing sectors. The Company remains focused on strengthening its product portfolio, deepening customer relationships, improving operational efficiency and developing innovative, value-added solutions that address evolving market requirements.

Opportunities

- Rising domestic polymer consumption and packaging, automotive, agriculture and infrastructure demand supporting off-take of colour and additive masterbatches.
- Structural shift of the market towards value-added, specialty and compliance-driven masterbatches, where technical capability and quality consistency command better realisation.

- Growing recycled-content and sustainability mandates creating a value-added niche for food-contact-compliant and functional masterbatch grades.
- The 'China Plus One' diversification trend and Make-in-India / PLI-driven capex cycle directing new manufacturing capacity and customer relationships towards India.
- Enhanced access to growth capital and visibility following the listing of the Company's equity shares on the SME Platform of BSE Limited during the year, supporting future expansion.

Threats

- Elevated and volatile petrochemical- and pigment-linked feedstock costs, which remain exposed to crude-oil price cycles and geopolitical shocks.
- Intense competition from both organised and unorganised players, resulting in pricing pressure and margin challenges, particularly in commodity product segments.
- Tightening environmental regulations relating to plastics usage, waste management and recycling, which may necessitate additional investment and operational adjustments.
- Currency-market volatility affecting the cost of imported raw materials and export competitiveness, and broader geopolitical and trade-policy disruptions affecting demand.

SEGMENT-WISE / PRODUCT-WISE PERFORMANCE

The Company operates in one reportable segment, namely Colour and Additive masterbatches and accordingly separate segment-wise disclosure under Accounting Standard 17 is not applicable. Within this segment, the Company manufactures in colour masterbatches, additive masterbatches and allied compounds.

FINANCIAL AND OPERATIONAL PERFORMANCE

During the year under review, the Company recorded revenue from operations of ₹3,040.32 lakhs, as compared with ₹2,282.20 lakhs in the previous financial year, registering a growth of about 33.22%. Total income for the year stood at ₹3,181.16 lakhs (previous year ₹2,371.29 lakhs). The Company earned a profit before tax of ₹703.48 lakhs (previous year ₹740.37 lakhs) and a net profit after tax of ₹522.29 lakhs, as against ₹550.30 lakhs in the previous financial year.

While revenue grew strongly during the year, profit margins moderated compared with the previous year. This was primarily on account of the impact of input-cost movements in petrochemical- and pigment-linked feedstocks. The EBITDA margin stood at 19.81% (previous year 30.17%) and the net-profit margin at 17.18% (previous year 24.11%). Basic and diluted earnings per share (face value ₹10 each) were ₹5.49, as against ₹7.30 in the previous year, the latter also reflecting the increase in the weighted-average number of shares consequent to the initial public offer during the year.

During the year, the Company completed its Initial Public Offer and its equity shares were listed on the SME Platform of BSE Limited, raising fresh capital which strengthened the net-worth and liquidity position of the Company. The net worth of the Company increased to ₹4,126.79 lakhs as on 31st March, 2026 (previous year ₹1,706.06 lakhs).

KEY FINANCIAL RATIOS

In accordance with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in the key financial ratios, along with explanations, are given below:

Sr. No.	Particulars	FY 2025-26	FY 2024-25	Change (%)
1	Debtors (Trade Receivables) Turnover Ratio (times)	4.50	4.95	(9.06)
2	Inventory Turnover Ratio (times)	7.92	5.22	51.66
3	Interest Coverage Ratio (times)	624.02	303.74	—
4	Current Ratio (times)	9.92	6.03	64.45
5	Debt-Equity Ratio (times)	0.05	N.A.	N.A.
6	Debt Service Coverage Ratio (times)	5.34	3.04	75.92
7	Trade Payables Turnover Ratio (times)	40.13	16.96	136.55
8	Net Capital Turnover Ratio (times)	2.39	3.30	(27.55)
9	Net Profit Ratio (%)	17.18	24.11	(28.76)
10	Return on Equity / Net Worth Ratio (%)	12.66	32.26	(60.75)
11	Return on Capital Employed (%)	16.30	43.53	(62.56)
12	EBITDA Margin (%)	19.81	30.17	(34.34)

Explanation for significant changes (change of 25% or more):

- Inventory Turnover, Trade Payables Turnover and Debt Service Coverage Ratio improved on account of higher business volumes and increased cost of goods sold / purchases during the year relative to the average balances.
- Current Ratio improved significantly, primarily on account of the increase in current assets (including cash and bank balances) following the receipt of IPO proceeds during the year.
- Return on Equity / Net Worth, Return on Capital Employed and Net Profit Ratio declined primarily due to the substantial increase in net worth / capital employed consequent to the fresh capital raised through the IPO, together with the moderation in profit margins during the year.
- Debt-Equity Ratio is reported for the current year as the Company availed borrowings during the year; the ratio nevertheless remains conservative at 0.05 times.

The Return on Net Worth for FY 2025-26 stood at 12.66%, as compared with 32.26% in the previous year, the reduction being primarily attributable to the increase in net worth following the initial public offer and the moderation in profitability during the year.

RISKS AND CONCERNS

Risk management is an integral part of the Company's operational strategy. The Company's approach includes an ongoing review of business risks, the implementation of mitigating controls and a structured reporting mechanism, periodically reviewed by the Board. Apart from the typical risks associated with business operations, manufacturing and commercial activities, the key risks and areas of concern identified by the Company are outlined below:

- **Raw-material and price risk:** volatility in crude-oil prices, polymer-resin costs and pigment/additive prices may impact profitability. The Company mitigates this through prudent procurement, inventory planning and vendor diversification.
- **Demand and competition risk:** demand may be affected by economic slowdowns in user industries, and competition from organised and unorganised players may pressure margins. The Company responds through cost efficiency, consistent quality, customer service and product innovation.
- **Foreign-exchange risk:** fluctuations in exchange rates affect the cost of imported raw materials and export realisations; the Company monitors currency movements and manages exposure prudently.
- **Credit risk:** extended credit terms to customers may result in payment delays or defaults; the Company mitigates this through regular monitoring of receivables, proactive follow-ups and timely collection measures.
- **Regulatory and compliance risk:** changes in statutes and tightening environmental and product-compliance regulations may affect operations; the Company conducts regular compliance reviews. Consequent to the listing of its equity shares, the Company has also strengthened its governance and compliance framework under the applicable SEBI Regulations.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has established a system of internal controls commensurate with the size, scale and nature of its operations. These controls are designed to safeguard the Company's assets, prevent and detect frauds and errors, ensure that transactions are properly authorised, recorded and reported, and ensure the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures. Well-defined policies and procedures are implemented across the Company to maintain operational integrity.

The Company has appointed M/s. N A Jain & Associates, Practising Chartered Accountants, as the Internal Auditors of the Company. Regular internal audits are carried out and the internal audit reports, together with areas requiring attention, are reviewed by the Audit Committee and the Board, and appropriate corrective actions are taken. The internal control framework is periodically reviewed to ensure its continued effectiveness.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company recognises its employees as the cornerstone of its success and continues to foster a workplace culture that prioritises employee well-being, professional growth and a positive, inclusive work environment. Career-development opportunities, skill-development programmes and training initiatives are extended across levels and functions to enhance expertise and capability. The Company maintained harmonious industrial relations at all its locations throughout the year. As on 31st March, 2026, the total number of employees on the rolls of the Company was 34 (excluding Managing Director and Whole-time Director).

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis Report describing the Company's objectives, estimates, expectations or projections may constitute "forward-looking statements" within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied in these statements. Important factors that could make a difference to the Company's operations include economic conditions affecting demand and supply, price conditions in the domestic and international markets in which the Company operates, changes in government regulations, tax laws and other statutes, geopolitical developments and other incidental factors. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent developments, information or events.

Independent Auditor's Report

To

The Members of MEHUL COLOURS LIMITED *(formerly known as MEHUL COLOURS AND MASTER BATCHES LIMITED)*

Report on the Audit of the Financial Statements:

Opinion

We have audited the accompanying financial statements of **MEHUL COLOURS LIMITED** *(formerly known as MEHUL COLOURS AND MASTER BATCHES LIMITED)* **("the Company")**, which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2015, as amended, ("AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, the profit and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 (ICAI) together with the independence requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, 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 during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

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

In preparing the 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.

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of 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

1. As required by Section 143(3) of the Act, based on our audit we report that:

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

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

c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flows dealt with by this

Report are in agreement with the relevant books of account.

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

e) On the basis of the written representations received from the directors as on 31st March, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i. The Company have disclosed its pending litigations on its financial position in note no. 27 in its Financial Statements.

ii. The Company does not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.

iii. There was no amount which was required to be transferred to the Investor Education and Protection Fund by the company.

iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The company has not declared or paid any dividend during the year.

vi. Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2026 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

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

For Y M S & CO LLP
Chartered Accountants
Firm Registration No. 143858W/W100859

Sd/-
Yatin Rajesh Shah
Partner
M. No.: 157281
UDIN: 26157281ALNOWX8120

Place: Mumbai
Date: 30 May 2026

<u>**Annexure "A" to the Independent Auditor's Report**</u>

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

We have audited the internal financial controls over financial reporting of **MEHUL COLOURS LIMITED** *(formerly known as MEHUL COLOURS AND MASTER BATCHES LIMITED)* ("the Company") as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

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

For Y M S & CO LLP
Chartered Accountants
FRN: 143858W/W100859

Sd/-
Yatin Rajesh Shah
Partner
M. No.: 157281
UDIN: 26157281ALNOWX8120

Place: Mumbai
Date: 30 May 2026

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **MEHUL COLOURS LIMITED** *(formerly known as MEHUL COLOURS AND MASTER BATCHES LIMITED)* of even date)

1) In respect of the Company's Property, Plant and Equipment's:

(a) According to the information and explanations given to us, the company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant & Equipment.

(b) The Fixed Assets have been physically verified by the management in a phased manner which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the book's records and the physical fixed assets have been noticed.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made there under.

2) In Respect of Inventories:

(a) The management has conducted physical verification of inventory at reasonable intervals during the year, in our opinion, the coverage and procedure of such verification by the management is appropriate. As informed to us, any discrepancies of 10% or more in the aggregate for each class of inventory were not noticed on such verification.

(b) The company has not been sanctioned working capital limits in excess of five crore rupees. in aggregate, from banks on the basis of security of fixed deposit during the year. The company is not required to file the stock statements to the bank; therefore, this clause is not applicable.

3) During the year the company has not made investments in, provided any guarantee or security and not granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties accordingly provision of this clause not applicable to the company.

4) In our opinion and according to the information and explanations given to us, the company has not made investments in, provided any guarantee or security and not granted loans or advances therefore provisions of Section 185 and 186 of the Companies Act, 2013 are not applicable.

5) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at 31st March, 2026 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the

Company.

6) Pursuant to the rules made by the Central Government of India, the company is not required to maintain cost records as specified under Section 148 (1) of the Act in respect of its product and hence provision of this clause is not applicable.

7) (a)According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess, GST and any other statutory dues with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2026 for a period of more than six months from the date on when they become payable except for TDS default of Rs. 1.97 lakhs (including interest) relating to prior years.

(c) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute except for the mentioned below.

Name of the Statute	Nature of dues	Amount (in lakhs)	F.Y(Period related to)	Forum where dispute is pending
Goods and Service Tax	GST and penalty thereon	4.13	2018-19	The Joint Commissioner of State Tax (Appeal)

8) 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.

9) (a) According to the information and explanation given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) Company is not declared willful defaulter by any bank or financial institution or other lender,

(c) According to the information and explanation given to us, term loans were applied for the purpose for which the loans were obtained;

(d) According to the information and explanation given to us, funds raised on short term basis have not been utilized for long term purposes;

(e) According to the information and explanation given to us, the company does not have any subsidiary, associate or joint venture accordingly provision of this clause not applicable to the company;

(f) According to the information and explanation given to us, the company does not have any subsidiary, associate or joint venture accordingly provision of this clause not applicable to the company;

10) (a) In our opinion, and according to the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer.

(b) During the year, the company has not made preferential allotment/private placement of shares or convertible debentures.

11) (a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

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

(c) According to the information and explanation given to us, no whistle-blower complaints, received during the year by the company;

12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

14) According to the information and explanations given to us, the company is not required to have an Internal Audit system accordingly provision of clause 3 (xiv) (a) to (b) are not applicable.

15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) of the Order is not applicable.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

17) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

18) There is no resignation of the statutory auditors during the year, hence this clause is not applicable.

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

20) There are no unspent amounts towards Corporate Social Responsibility ("CSR") on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

For Y M S & CO LLP
Chartered Accountants
FRN: 143858W/W100859

Sd/-
Yatin Rajesh Shah
Partner
M. No.: 157281
UDIN: 26157281ALNOWX8120

Place: Mumbai
Date: 30 May 2026

MEHUL COLOURS LIMITED
(FORMERLY KNOWN AS MEHUL COLOURS AND MASTERBATCHES LIMITED)
(CIN : U25209MH1995PLC095225)

Reg Add: - Unit No - A 305,306, Kemp Plaza, Link Road, Chincholi Bunder Road, Mind Space, Near Evershine Mall, Malad West , Malad West, Maharashtra, India - 400064.

Balance sheet as at 31 March 2026

(Rs in Lakhs)

	Particulars	Note No.	As at 31 March 2026	As at 31 March 2025
I	**Equity & Liabilities**			
	1.Shareholders Funds:			
	a.Share Capital	**2**	1,054.90	754.10
	b.Reserves and Surplus	**3**	3,071.89	951.96
	2.Share Application Money Pending Allotment:			
	3.Non-Current Liabilities:			
	a.Long-Term Borrowings	**4**	65.59	-
	b. Deferred Tax Liability(Net)		-	-
	c. Other Long Term Liabilities	**5**	2.00	2.00
	d.Long Term Provisions	**6**	41.33	32.52
	4.Current Liabilities:			
	a.Short Term Borrowings	**7**	130.58	-
	b.Trade Payables			
	(i) total outstanding dues of micro enterprises and small enterprises; and	**8**	47.39	15.73
	(ii) total outstanding dues of creditors other than micro enterprises and small		9.40	14.98
	c.Other Current Liabilities	**9**	49.82	98.24
	d.Short Term Provisions	**10**	48.38	25.77
	Total		**4,521.28**	**1,895.30**
II	**Assets**			
	1.Non-Current Assets:			
	a. Property, Plant and Equipment and Intangible Assets	**11**		
	(i) Property, Plant and Equipment		395.29	203.02
	(i) Intangible Assets		-	-
	b.Non-Current Investments	**12**	947.25	638.79
	c. Deffered Tax Assets	**13**	21.09	18.17
	d. Long term Loans & Advances	**14**	289.72	68.96
	e.Other Non-current Assets	**15**	35.79	33.29
	2.Current Assets:			
	a.Current Investments	**16**	300.00	-
	b.Inventories	**17**	233.85	208.16
	c.Trade Receivables	**18**	795.80	554.95
	d.Cash and Bank Balance	**19**	1,433.05	129.30
	e.Short Term Loans and Advances	**20**	58.88	39.53
	f.Other Current Assets	**20A**	10.56	1.13
	Total		**4,521.28**	**1,895.30**

For Y M S & CO LLP
Chartered Accountants
Firm Registration No. 143858W/W100859

Yatin Rajesh Shah
Partner
Membership No. 157281
UDIN : 26157281ALNOWX8120
Place : Mumbai
Date: 30 May 2026

For and on behalf of Board of Directors
MEHUL COLOURS LIMITED
(formerly known as Mehul Colours and Master Batches Limited)

Mehul P. Joshi
Chairman and Managing Director
DIN: 00178766

Bhakti M. Joshi
Whole Time Director
DIN: 02376755

Rashmi Parab
CFO
PAN: AARWPP9874A

Shilpa Karan Mehta
Company Secretary
M. No.: 65187

MEHUL COLOURS LIMITED
(FORMERLY KNOWN AS MEHUL COLOURS AND MASTERBATCHES LIMITED)
(CIN : U25209MH1995PLC095225)

Reg Add: - Unit No - A 305,306, Kemp Plaza, Link Road, Chincholi Bunder Road, Mind Space, Near Evershine Mall, Malad West , Malad West, Maharashtra, India - 400064.

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

(Rs. In lakhs)

Particulars	Note No.	As at 31 March 2026	As at 31 March 2025
I. Revenue from Operations	21	3,040.32	2,282.20
II. Other Incomes	22	140.84	89.09
III. Total Income		**3,181.16**	**2,371.29**
IV. Expenses			
Cost of Raw Materials Consumed	23	1,749.98	1,042.91
Changes in Inventories of Finished Goods	24	0.58	(19.09)
Employee Benefits Expenses	25	237.33	245.93
Finance Costs	26	1.93	2.89
Depreciation & Amortization Expense	27	38.40	34.92
Other Expenses	28	449.46	323.36
V. Total Expenses		**2,477.68**	**1,630.92**
V. Profit / (Loss) before Exceptional Items & Tax	(I-V)	**703.48**	**740.37**
VI. Exceptional Items			
IX. Profit / (Loss) Before Tax		**703.48**	**740.37**
X. Tax Expense			
a. Current Tax		184.11	192.45
b. Deffered Tax Expenses		(2.92)	(2.38)
XI. Profit / (Loss) for the Period from Continuing Operations		**522.29**	**550.30**
XII. Profit / (Loss) from Discontinuing Operations			
XIII. Tax Expense of Discontinuing Operations			
XIV. Profit / (Loss) from Discontinuing Operations after Tax			
XV. Profit / (Loss) for the Period		**522.29**	**550.30**
Weighted Average Number of Shares		1,05,49,040	75,41,040
XVI. Earnings Per Equity Share	29		
Basic		5.49	7.30
Diluted		5.49	7.30

For Y M S & CO LLP
Chartered Accountants
Firm Registration No. 143858W/W100859

Yatin Rajesh Shah
Partner
Membership No. 157281
UDIN : 26157281ALNOWX8120
Place : Mumbai
Date: 30 May 2026

For and on behalf of Board of Directors
MEHUL COLOURS LIMITED
(formerly known as Mehul Colours and Master Batches Limited)

Mehul P. Joshi
Chairman and Managing Director
DIN: 00178766

Bhakti M. Joshi
Whole Time Director
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PAN: AARWPP9874A

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MEHUL COLOURS LIMITED
(FORMERLY KNOWN AS MEHUL COLOURS AND MASTERBATCHES LIMITED)
(CIN : U25209MH1995PLC095225)

Reg Add: - Unit No - A 305,306, Kemp Plaza, Link Road, Chincholi Bunder Road, Mind Space, Near Evershine Mall, Malad West , Malad West, Maharashtra, India - 400064.

Cash Flow Statement for the year ended 31 March, 2026

(Rs in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax as per Profit & Loss A/c	703.48	740.37
Adjusted for :		
Depreciation	38.40	34.92
Finance Cost	1.93	2.89
Interest Income and Dividend Income	(55.53)	(58.69)
Provision for Gratuity	14.21	6.47
Investment on PMS (Gain) / Loss	(0.00)	(2.11)
Profit on sale of Fixed Assets	(10.59)	(8.15)
Provision for Doubtful Debt	2.30	(5.65)
Rent Income	(5.16)	(3.79)
Operating Profit Before Working Capital Changes	**689.03**	**706.26**
Adjusted for :		
Increase / (Decrease) Short Term Loans and Advances	(19.35)	(19.79)
Increase / (Decrease) Long Term Loans and Advances	(220.76)	(68.96)
Increase / (Decrease) in Trade Receivable	(240.85)	(219.34)
Increase / (Decrease) in Inventories	(25.69)	(24.25)
Increase / (Decrease) in Other Current Assets	(9.43)	2.13
Increase / (Decrease) in Trade Payables	26.07	(60.59)
Increase / (Decrease) in Short Term Provisions	8.27	15.11
Increase / (Decrease) in Other Current Liabilities	(48.42)	58.57
Increase / (Decrease) in Other Non Current Liabilities	-	1.50
Increase / (Decrease) in Long Term Provisions	8.81	-
Increase / (Decrease) Other Non Current Assets	(2.50)	(2.05)
Cash Generated From Operations	**(523.84)**	**(317.67)**
Net Income Tax (Paid)/Refund	(146.26)	(197.75)
Net Cash Generated/(Used) From Operating Activities (A)	**18.93**	**190.84**
B. CASH FLOW FROM INVESTING ACTIVITES		
(Purchase) of Fixed Assets (net of sale)	(220.09)	(98.66)
(Increase) / Decrease in Non Current Investment	(348.47)	(195.73)
Investment in PMS (Gain) / Loss	0.00	2.11
Interest and Dividend Income	55.53	58.69
Investment in Inter-corporate Deposits	(300.00)	-
Rent Income	5.16	3.79
Net Cash Generated/(Used) From Investing Activities (B)	**(807.88)**	**(229.80)**
C. CASH FLOW FROM FINANCING ACTIVITES		
Finance Cost	(1.93)	(2.89)
(Repayments) / Proceeds of Long Term Borrowings	65.59	-
(Repayments) / Proceeds of Short Term Borrowings	130.58	(36.16)
Issue of shares	300.80	-
Securities Premium	1,597.64	-
Net Cash Generated/(Used) From Financing Activities (C)	**2,092.69**	**(39.05)**
Net Increase / (Decrease) in Cash and Cash Equivalent	**1,303.75**	**(78.01)**
Cash and Cash Equivalent at the Beginning of the Year	**129.30**	**207.32**
Cash and Cash Equivalent at the End of the Year	**1,433.05**	**129.30**
Cash and Cash Equivalent at the End of the Year	**1,433.05**	**129.30**
Cash in Hand	8.78	22.42
Balance with Bank	1,274.27	106.88
Other Bank Balances:- Fixed Deposit with original maturity less than 3 months	150.00	-

For Y M S & CO LLP
Chartered Accountants
Firm Registration No. 143858W/W100859

Yatin Rajesh Shah

Partner
Membership No. 157281
UDIN : 26157281ALNOWX8120
Place : Mumbai
Date: 30 May 2026

For and on behalf of Board of Directors
MEHUL COLOURS LIMITED
(formerly known as Mehul Colours and Master Batches Limited)

Mehul P. Joshi	**Bhakti M. Joshi**
Chairman and Managing Director	**Whole Time Director**
DIN: 00178766	DIN: 02376755
Rashmi Parab	**Shilpa Karan Mehta**
CFO	**Company Secretary**
PAN: AARWPP9874A	NM. No.: 65187

Note 1: SUMMARY STATEMENT OF MATERIAL ACCOUNTING POLICIES & NOTES TO FINANCIAL INFORMATION

COMPANY OVERVIEW

Our Company was incorporated as "Mehul Colours and Masterbatches Private Limited" on December 12, 1995, under the provisions of the Companies Act, 1956, pursuant to a Certificate of Incorporation issued by Registrar of Companies, Maharashtra. Thereafter, our Company was converted from private limited to public limited, pursuant to special resolution passed by the shareholders of the Company at the Extraordinary General meeting held on December 02, 2024 and as a result, the company's name was changed to "Mehul Colours Limited", with the fresh Certificate of Incorporation issued by the Registrar of Companies, Central Processing Centre, as on January 9, 2025. The Corporate identification number of our Company is L25209MH1995PLC095225. Mehul Colours Limited *(formerly known as Mehul Colours & Masterbatches Limited)* is engaged in the business of manufacturing in the Plastic Colour Masterbatches for commodity and Engineering Plastics, Pigments, Compounds & Additive Masterbatches.

I. SIGNIFICANT ACCOUNTING POLICIES

A. Basis of preparation of Financial Statements:

The Statement of Assets and Liabilities as at March 31, 2026, Statements of Profit and Loss for the period ended March 31, 2026, Cash Flow Statement for the period ended March 31, 2026 the Summary Statement of Material Accounting Policies, the Notes and Annexures as forming part of these Financial Statements (collectively, the " Financial Information"), as approved by the Board of Directors of the company.

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (IGAAP) under the historical cost convention on the accrual basis. IGAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act.

The accounting policies adopted in the preparation of financial statements have been consistently applied. All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of operations and time difference between the provision of services and realization of cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

B. Use of Estimates

The preparation of financial statements is in conformity with IGAAP requires judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

C. Accounting Convention

The Company follows the mercantile system of accounting, recognizing income and expenditure on accrual basis. The accounts are prepared on historical cost basis and as a going concern. Accounting policies not referred to specifically otherwise, are consistent with the generally accepted accounting principles.
The following significant accounting policies are adopted in the preparation and presentation of these financial statements:

1 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
Sales of goods are recognized on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to

Interest Income is Recognized on a time proportion basis taking into account the amount outstanding and the rate applicable i.e. on the basis of matching concept.
Profit/loss on sale of investments is recognized at the time of actual sale/redemption.

Dividend Income is accounted for when the right to receive the dividend is established

2 Property, Plant and Equipment, Intangible Assets and Depreciation

a) Property, Plant and Equipment Intangible Assets are stated as per Cost Model i.e., at cost less accumulated depreciation and impairment, if any; Costs directly attributable to acquisition are capitalized until the Property, Plant and Equipment and Intangible Assets are ready for use, as intended by the management;

b) Subsequent expenditures relating to Property, Plant and Equipment and Intangible Assets are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs & maintenance costs are recognized in the Statement of profit & Loss when incurred;

c) The cost and related accumulated depreciated are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit or Loss. Assets to be disposed of are reported at the lower of the carrying value or the fair value less cost to sell;

d) Depreciation on fixed assets will be calculated using the Written Down Value (WDV) method, which involves applying depreciation rates prescribed under Schedule II to the Companies Act 2013. to the carrying amount of the asset. The carrying amount is reduced each year by the amount of depreciation charged.

e) Depreciation methods, useful lives, and residual values are reviewed periodically, including at each financial year end;

3 Impairment

The Management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

4 Inventories

Raw Materials is valued at cost or net realizable value whichever is lower. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on Weighted Average basis.

Finished goods are valued cost or net realisable value wichever is lower.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

5 Foreign Exchange Transactions

All transactions in foreign currency are recorded at the rates of exchange prevailing at the date of transaction. Any gain/ loss on account of the fluctuation in the rate of exchange is recognized in the statement of Profit and Loss.

Monetary items in the form of Loans, Current Assets and Current Liabilities in foreign currencies outstanding at the close of the year are converted in Indian currency at the closing rates of exchange prevailing on the date of Balance Sheet. Resultant gain or loss on account of the fluctuation in the rate of exchange is recognized in the statement of Profit and Loss.

6 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a 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. The cash flows from operating, investing and financing activities are segregated.

7 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of that asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. Costs incurred in raising funds are amortized equally over the period for which the funds are acquired. All other borrowing costs are charged to profit and loss account.

8 Income Tax

The accounting treatment for the Income Tax in respect of the Company's income is based on the Accounting Standard on 'Accounting for Taxes on Income' (AS-22). The provision made for Income Tax in Accounts comprises both, the current tax and deferred tax. Provision for Current Tax is made on the assessable Income Tax rate applicable to the relevant assessment year after considering various deductions available under the Income Tax Act, 1961.

Deferred tax is recognized for all timing differences; being the differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Such deferred tax is quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. The carrying amount of deferred tax asset/liability is reviewed at each Balance Sheet date and consequential adjustments are carried out.

9 Earnings Per Share

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

10 Provisions and Contingent Liabilities

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the likely future outflow of economic benefits required to settle the obligation at the reporting date.

Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

11 Cash and Cash Equivalents

Cash and cash equivalents comprise cash and cash on deposit with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

12 Investments

Investments that are readily realizable and intended to be held for not more than one year from the date of acquisition are classified as current investments. All other investments are classified as non-current investments.
All investments are initially recognized at cost, which includes acquisition charges, if any.Profit or loss on sale of investments is recognized in the Statement of Profit and Loss. Quoted investments are disclosed in the notes to accounts at both cost and market value.
However, provision for diminution in value is made to recognize a decline other than temporary nature in value of investment.

13 Government Grants and Subsidies

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.

14 Contingencies and events occurring after the Balance Sheet date

Events that occur between balance sheet date and date on which these are approved, might suggest the requirement for an adjustment(s) to the assets and the liabilities as at balance sheet date or might need disclosure. Adjustments are required to assets and liabilities for events which occur after balance sheet date which offer added information substantially affecting the determination of the amounts which relates to the conditions that existed at balance sheet date.

15 Related Party Transactions

Related parties as defined under Accounting Standard - 18 ‘Related Party Disclosures’ have been identified based on representations made by management and information available with the Company. All transactions with related parties are in the ordinary course of business and on arms' length basis.

16 Leases

The company has taken Office & factory on lease and classified as an Operating lease and the lease rentals are recognized in profit & loss account as per lease terms.

17 Segment Reporting

As per AS -17 Segment Reporting is not applicable to the company for the reporting period.

18 **Employee Benefits**

Defined-contribution plans:

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

The Company's contribution to Provident Fund is determined based on a fixed percentage of the eligible employees' salary and charged to the Statement of Profit and Loss on accrual basis.
The company does not provide for leave encashment as per its HR policy. Accordingly, the provision for leave encashment previously recognized has been reversed in compliance with the company's policy, and no liability is recognized in this regard.

19 **Material Adjustments**
Appropriate adjustments have been made in the financial statements, whenever required, by a reclassification of the corresponding items of assets, liabilities, and cash flow statement, in order to ensure consistency and compliance with requirements of Schedule VI and Accounting Standards.

II. <u>NOTES TO SUMMARY STATEMENTS:</u>

1 **Contingent liabilities and commitments (to the extent not provided for)**

A disclosure for a contingent liability reported in the notes to financial restatements when there is a possible obligation that may, require an outflow of the Company's resources. Refer Note 27.

2 **Disclosure under Micro, Small and Medium Enterprises Development Act, 2006**
Outstanding dues of Micro or Small-Scale Industrial Enterprise(s) as per The Micro, Small & Medium Enterprise Development Act, the Company has disclosed the same as required by Schedule III to the Companies Act, 2013.

3 **Related Party Transactions**
Related party transactions are already reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Note- 29 of the enclosed financial statements.

4 **Material Adjustments**
Appropriate adjustments have been made in the financial statements, whenever required, by a reclassification of the corresponding items of assets, liabilities, and cash flow statement, in order to ensure consistency and compliance with requirements of Schedule VI and Accounting Standards.

5 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.

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

7 **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.

8 **Contractual liabilities**

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

9 **Amounts in the financial statements**

Amounts in the financial statements are rounded off to nearest lacs.

MEHUL COLOURS LIMITED
Notes to the Financial Statements for the year ended 31 March 2026

Note-2: Share Capital (Rs. In Lakhs, excpet number of shares)

Particulars	As at 31 March 2026	As at 31 March 2025
1.Authorised Equity Share Capital		
1,10,00,000 Shares of Rs.10 each (previous year 1,10,00,000 Equity Shares of Rs. 10 each)	1,100.00	1,100.00
Total	**1,100.00**	**1,100.00**
2.Issued, Subscribed Share Capital		
1,05,49,040 Equity share of Rs 10 each (previous year 75,41,040 Equity share of Rs 10 each)	1,054.90	754.10
Total	**1,054.90**	**754.10**
3.Paid-Up Equity Share Capital		
1,05,49,040 Equity share of Rs 10 each (previous year 75,41,040 Equity share of Rs 10 each)	1,054.90	754.10
Total	**1,054.90**	**754.10**

a) Reconciliation of the Shares outstanding at the beginning and at the end of the reporting year

Particulars	Quantity value	As at 31 March 2026	As at 31 March 2025
Number of shares outstanding at the beginning	Qty	75,41,040	2,90,040
of the Period	Value (in Lakhs)	754.10	29.00
Add: Bonus shares issued during the year	Qty	-	72,51,000
Add: Bonus shares issued during the year	Value (in Lakhs)	-	725.10
Add: Equity shares alloted persuant to Initial Public Offer	Qty	30,08,000	-
Add: Equity shares alloted persuant to Initial Public Offer	Value (in Lakhs)	300.80	
Number of shares outstanding at the end of the Period	Qty	1,05,49,040	75,41,040
	Value (in Lakhs)	1,054.90	754.10

1. Terms/rights attached to equity shares:

a. The Company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share.

b. In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

c. During the year ended 31st March 2026, the company has issued 30,08,000 Equity Shares of Face Value of ₹ 10/- each at Rs. 72/- allotted on, 4th August 2025.

d. There were no class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash.

e. There are no calls unpaid on the equity shares of the Company, including calls unpaid by the Directors and officers of the company.

f. During the five years immediately preceding 31 March 2026, the Company allotted 72,51,000 equity shares of Rs.10 each as fully paid-up bonus shares during the financial year 2024-25

b) Details of Shares held by each shareholder holding more than 5% shares

Name of shareholders	As at 31 March 2026		As at 31 March 2025	
	% Held	No. of shares	% Held	No. of shares
Mehul Pravinchandra Joshi	64.42%	67,95,920	91.37%	68,90,520
Bhakti Mehul Joshi	6.51%	6,86,800	8.62%	6,50,000
Total	**70.93%**	**1,05,49,040**	**99.99%**	**75,41,040**

c) Details of Shares held by Promotors

Name of shareholders	As at 31 March 2026		As at 31 March 2025	
	% Held	No. of shares	% Held	No. of shares
Mehul Pravinchandra Joshi	64.42%	67,95,920	91.37%	68,90,520
Bhakti Mehul Joshi	6.51%	6,86,800	8.62%	6,50,000
Total	**70.93%**	**74,82,720**	**99.99%**	**75,40,520**

d) Change in shareholding of the Promoter

Name of shareholders	Shares at beginning of the year	Shares at end of year	% of total shares at year end	% change during the year
Mehul Pravinchandra Joshi	68,90,520	67,95,920	64.42%	-1.37%
Bhakti Mehul Joshi	6,50,000	6,86,800	6.51%	5.66%

Note-3: Reserves and Surplus (Rs in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Opening Balance	951.96	1189.05
Less: Bonus shares issued	-	(725.10)
Less: Prior period items	-	(62.29)
Add : Net Surplus during the year	522.29	550.30
Closing balance	**1,474.25**	**951.96**

Securities Premium (Rs in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Opening Balance	-	-
Add: Premium on shares issued during the year	1,864.96	-
Less: Utilised during the year	(267.32)	-
Closing Balance	1,597.64	-
Total of Reserves and Surplus	**3,071.89**	**951.96**

Note-4: Long Term Borrowings (Rs in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Secured Loans		
Loans from Bank*	65.59	-
Total of Long Term Borrowings	**65.59**	**-**

*The loan is secured by hypothecation of vehicle Others M9 Presidential Limo AT Electric valued at ₹72.88 lakh. The sanctioned amount of the loan is ₹65.59 lakh, repayable over 60 monthly instalments commencing from 10 April 2026. The applicable rate of interest as per the sanction letter is 7.60% per annum, subject to reset/revision by the bank from time to time. There were no defaults in repayment of principal or interest as at 31 March 2026.

Note-5 : Other Non-current Liability (Rs in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Deposit	2.00	2.00
Total	**2.00**	**2.00**

Note-6: Long Term Provisions (Rs in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Gratuity Provision	41.33	32.52
Total	**41.33**	**32.52**

Note-7 : Short term Borrowings (Rs in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Bank Overdraft	130.58	
Total	**130.58**	**-**

Note-8 : Trade Payables (Rs in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
a. Total outstanding dues of micro enterprises and small enterprises; and*	47.39	15.73
b. Total outstanding dues of creditors other than micro enterprises and small enterprises.	9.40	14.98
Total	**56.79**	**30.71**

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006

1.Trade Payable Ageing* (Rs in Lakhs)

Particulars (Outstanding from due date of payment / from date of transaction)	As at 31 March 2026	As at 31 March 2025
i) MSME		
Less than 1 year	47.39	15.73
1-2 Years	-	-
2-3 Years	-	-
More then 3 Years	-	-
	47.39	**15.73**
ii) Others		
Less than 1 year	9.40	14.98
1-2 Years	-	-
2-3 Years	-	-
More then 3 Years	-	-
	9.40	**14.98**
iii) Disputed dues- MSME		
Less than 1 year	-	-
1-2 Years	-	-
2-3 Years	-	-
More then 3 Years	-	-
iv) Disputed dues- Others		
Less than 1 year	-	-
1-2 Years	-	-
2-3 Years	-	-
More then 3 Years	-	-
Total	**56.79**	**30.71**

* MSME catergory of Trade payables has been identified by the management and relied upon by the auditors.

2. Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company.

(Rs in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Principal amount from Micro and Small Enterprises	47.39	15.73
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

Note-9 : Other Current Liabilities (Rs in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Advances received from Customers	8.54	10.22
Other Payable		
Statutory Liabilities	4.77	40.03
Provision for Expense	5.65	25.88
Payable for Expenses	17.00	11.86
Provision for Employees	13.85	8.85
Total	**49.82**	**98.24**

Note-10 : Short Term Provisions (Rs in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Provision For Gratuity	13.68	8.27
Provision for Income Tax	34.70	17.49
Total	**48.38**	**25.77**

MEHUL COLOURS LIMITED

Notes to the Financial Statements for the year ended 31 March 2026

Note 11: Propert, Plant & Equipment

(Rs in Lakhs)

Particulars	Land	Plant and Machinery	Furniture and Fixture	Office Equipments	Buildings	Computers	Total
Gross carrying Value as at 1 April, 2025	90.00	264.47	58.17	6.26	26.47	11.52	456.89
Addition	0.91	226.93	2.06	0.44	-	4.84	235.17
Deletion	-	34.47	-	-	-	-	34.47
Gross carrying Value as at 31 March, 2026	**90.91**	**456.94**	**60.23**	**6.69**	**26.47**	**16.36**	**657.59**
Accumulated depreciation as at 1 April 2025	-	173.67	44.27	5.42	20.07	10.45	253.88
Depreciation	-	31.61	4.84	0.51	0.61	0.83	38.40
Accumulated depreciation on Deletions	-	29.98	-	-	-	-	29.98
Accumulated depreciation as at 31 March 2026	**-**	**175.29**	**49.11**	**5.93**	**20.68**	**11.28**	**262.30**
Carrying value as at 1 April 2025	**90.00**	**90.80**	**13.90**	**0.84**	**6.40**	**1.07**	**203.01**
Carrying value as at 31 March 2026	**90.91**	**281.64**	**11.11**	**0.76**	**5.79**	**5.08**	**395.29**

Particulars	Land	Plant and Machinery	Furniture and Fixture	Office Equipments	Buildings	Computers	Total
Gross carrying Value as at 1 April, 2024	-	262.87	58.17	6.26	26.47	10.68	364.45
Addition	90.00	18.52			-	0.85	109.36
Deletion		16.92					16.92
Gross carrying Value as at 31 March, 2025	**90.00**	**264.47**	**58.17**	**6.26**	**26.47**	**11.52**	**456.90**
Accumulated depreciation as at 1 April 2024	-	162.71	37.32	4.74	19.39	9.14	233.30
Depreciation	-	25.30	6.95	0.69	0.68	1.30	34.92
Accumulated depreciation on Deletions	-	14.35	-	-	-	-	14.35
Accumulated depreciation as at 31 March 2025	**-**	**173.67**	**44.27**	**5.42**	**20.07**	**10.45**	**253.88**
Carrying value as at 31 March 2025	**90.00**	**90.81**	**13.90**	**0.84**	**6.40**	**1.08**	**203.02**

Note-12 : Non - Current Investments

(Rs in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Trade Investments		
Other Investments:		
Investment in Mutual Fund - Quoted	131.13	131.13
Investment in Mutual Fund - Unquoted	479.40	-
Investment in PMS Fund	336.73	507.66
Total	**947.25**	**638.79**

(Rs in Lakhs)

Particulars	Number of units	As at 31 March 2026		As at 31 March 2025	
	31 March 2026	Cost	Market Value	Cost	Market Value
Bandhan Large & Mid Cap Fund Reg (G	6,764.49	9,30,999.89	8,29,962.83	-	-
Bandhan Small Cap Fund Reg (G)	19,142.19	8,78,486.95	7,76,483.84	-	-
Bank of India Flexi Cap Fund Reg (G)	25,786.59	9,03,248.11	8,19,755.73	-	-
Edelweiss Mid Cap Fund Reg (G)	8,728.13	9,04,125.86	8,03,459.28	-	-
HDFC Flexi Cap Fund Reg (G	485.03	10,03,175.07	8,81,588.47	-	-
ICICI Pru Large & Mid Cap Fund Reg (G	868.23	9,03,356.48	7,97,949.54	-	-
Invesco India Large & Mid Cap Fund (G	8,830.88	8,76,992.00	7,65,372.37	-	-
Invesco India Mid Cap Fund (G)	5,017.75	9,02,500.08	7,85,076.38	-	-
Invesco India Smallcap Fund Reg (G	22,639.22	9,29,652.96	8,31,085.62	-	-
Mirae Asset Small Cap Fund Reg (G)	78,900.63	9,03,483.69	8,01,867.05	-	-
Nippon India Growth Mid Cap Fund (G)	213.11	9,03,963.12	8,12,821.91	-	-
Nippon India ETF Nifty 50 BeES (Previous year: 38,488 units)	38,488.00	1,01,09,744.46	97,54,398.72	1,01,09,744.46	1,01,30,426.48
Kotak Nifty 50 ETF (Previous year: 7,775 units)	7,775	20,02,704.72	19,16,459.75	20,02,704.72	19,94,443.00
ICICI Prudential BSE 500 ETF(Previous year: 26,300 units)	26,300	10,00,362.58	9,11,558.00	10,00,362.58	9,45,222.00
UTI Real Estate Opportunities	45,959.30	51,65,253.48	48,94,945.35	-	-
ICICI Prudential Balanced Advantage Fund - Growth	4,32,430.88	3,27,32,776.35	3,10,44,213.16	-	-
		6,10,50,825.80	5,74,26,998.00	1,31,12,811.76	1,30,70,091.48

Note-13 : Deffered Tax Assets/(Liability

(Rs in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Opening Deffered Tax Assets/(Liability)	18.17	6.59
Add:- Deffred Tax on prior period expense impact of which given in opening reserves	-	9.19
Add/Less: During the year	2.92	2.39
Total	**21.09**	**18.17**

Note-14: Long Term Loans & Advances

(Rs in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Advance for Capital Assets	289.72	68.96
Total	**289.72**	**68.96**

Note-15: Other Non current Assets

(Rs in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Unsecured Considered Good:		
Security Deposits	8.44	5.94
Balance with Government Authorities		
IGST Refund Claim	1.25	1.25
VAT Refund Receivable	23.44	23.44
MSEDCL - Under Protest	2.66	2.66
Total	**35.79**	**33.29**

Note-16: Current Investments

(Rs in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Inter-corporate deposits	300.00	-
Total	**300.00**	**-**

*Inter-corporate deposit yield fixed interest rate and is placed with other companies , who is authorised to accept and use such inter-corporate deposits as per regulations applicable to them. It has been identified by the management and relied upon by the auditors.

(Rs in Lakhs)

Particulars of Loans given, Investment made or Guarantee Given	Name of the Entity	Rate of Interest	As at 31 March 2026	As at 31 March 2025
Inter- Corporate Deposits	Dynamic Superways and Exports Ltd	9%	205.70	-
	Kent International Pvt Ltd	9%	2.37	-
	Maneckji Global Pvt Ltd	9%	100.27	-
Total			**308.34**	**-**

Note :- Above Inter- Corporate Deposits of Rs. 308.34 lakhs is including accrued interests

Note-17: Inventories

(Rs in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Inventories		
Raw Materials	144.35	118.09
Packing Materials	0.04	0.03
Finished Goods & Stock In Trade	89.46	90.04
Total	**233.85**	**208.16**

Note-18: Trade Receivables (Rs in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
A. Secured, Considered Good	-	-
B. Unsecured, Considered Good		
Outstanding for a period less than 6 months	764.37	527.32
Outstanding for a period more than 6 months	31.43	27.63
C. Doubtful		
Outstanding for a period less than 6 months	-	-
Outstanding for a period more than 6 months	29.18	31.48
	824.98	586.43
Less:-Provision for doubtful debts	(29.18)	(31.48)
Total	**795.80**	**554.95**

Notes:

1. There are no unbilled trade receivables.
2. List of persons/entities classified as 'Promoters' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

Trade Receivables ageing schedule: (Rs in Lakhs)

(Outstanding from due date of payment / from date of transaction)	2026	2025
i) Undisputed Trade receivables – considered good		
Less than 6 months	764.37	527.33
6 months - 1 year	16.16	3.53
1-2 years	8.80	8.04
2-3 years	6.48	14.37
More then 3 years	-	1.68
	795.80	**554.95**
ii) Undisputed Trade receivables – considered doubtful		
Less than 6 months	-	-
6 months - 1 year	-	0.81
1-2 years	-	27.05
2-3 years	-	3.62
More then 3 years	29.18	-
	29.18	**31.48**
iii) Disputed Trade receivables – considered good		
Less than 6 months	-	-
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More then 3 years	-	-
iv) Disputed Trade receivables – considered doubtful		
Less than 6 months	-	-
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More then 3 years	-	-
Total	**824.98**	**586.42**

Note-19 : Cash and Bank Balance (Rs in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
A. Cash & Cash Equivalents (as per Accounting Standard 3: Cash Flow Statements) :		
Cash on hand	8.78	22.42
Bank Balance		
In Over Draft Account	-	57.51
In Current Account	1274.27	49.37
Other Bank Balance have maturity less than 3 months	150.00	-
Total	**1433.05**	**129.30**

Note-20: Short Term Trade Advances (Rs in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Advances to Suppliers	48.63	30.73
Advances to employee	10.25	8.80
Total	**58.88**	**39.53**

Note-20A: Other Current Assets (Rs in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Accrued Interest on Fixed Deposit	0.03	-
Accrued interest on ICD	8.34	-
Prepaid Expenses	2.19	1.13
Total	**10.56**	**1.13**

Note-21: Revenue from Operations

(Rs in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Sale of Products:		
Domestic sales	2,615.62	2,126.41
Export Sales	424.70	155.79
Total	**3,040.32**	**2,282.20**

Note-22: Other Incomes

(Rs in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Foreign Exchange Gain	16.48	6.30
Interest on Investement	52.32	58.06
Interest on ICD	9.27	-
Rent Income	5.16	3.79
Gain on Investment	35.75	2.11
Custom Duty Received	3.39	1.45
Dividend Income	2.28	0.63
Excess Provison for Doubtful Debt Reversed	2.30	5.65
Other Income	0.39	0.45
Forwarding & Packaging Charges	2.90	2.50
Profit on Sale of Motor Car	10.59	8.15
Total	**140.84**	**89.09**

Note-23: Cost of Raw Material Consumed

(Rs in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Opening Stock		
Raw Material	118.09	112.95
Add: Purchase	1,760.08	1,014.97
Less: Closing Stock		-
Raw Material	144.35	118.09
	1,733.82	**1,009.83**
Packing Materials		
Opening Stock	0.03	0.02
Add : Purchases	16.17	33.09
Less : Closing Stock	0.04	0.03
	16.16	**33.08**
Cost of Material Consumed	**1,749.98**	**1,042.91**

Note-24: Change in Inventories

(Rs in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Inventories at the beginning of the year		
Finished Goods	90.04	70.95
SubTotal	**90.04**	**70.95**
Inventories at the end of the year:		
Finished Goods	89.46	90.04
SubTotal	**89.46**	**90.04**
Net Changes	**0.58**	**(19.09)**

Note-25: Employee Benefits Expenses

(Rs in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Salaries, Wages and Bonus	126.48	94.22
Director Remuneration	65.00	115.00
Contribution to provident and other funds	6.15	8.72
Staff welfare expenses	10.78	8.25
Keyman Insurance	5.00	5.00
Gratuity	14.21	6.47
Medical Expense	9.71	8.27
Total	**237.33**	**245.93**

Note-26: Finance Cost

(Rs in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Interest on Bank overdraft	1.13	2.27
Processing and Other Charges	0.80	0.62
Total	**1.93**	**2.89**

Note-27: Depreciation & Amortization

(Rs in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Depreciation	38.40	34.92
Total	**38.40**	**34.92**

Note-28: Other Expenses

(Rs in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Auditors Remuneration	5.75	5.00
Bank Charges	0.36	1.52
Commission	69.24	37.21
Courier Charges	3.07	2.50
Donations	0.12	0.09
Exihibution Expense	18.89	1.43
Factory Building Maintenance	6.58	6.10
Factory Rent	72.17	70.21
Freight Outward	44.81	29.69
Hamali Charges	5.07	2.90
Insurance	2.47	3.94
Interest on Income Tax	0.07	0.67
Legal & Professional charges	9.24	13.90
Lab Testing Charges	0.15	0.08
Membership Fees	2.45	0.92
Motor Car Expenses	9.30	9.32
Office Expenses	13.19	11.01
Power & Fuel	58.00	39.07
Printing & Stationery	5.05	1.63
Rates & Taxes	1.25	9.34
Repairs & Maintainance	27.17	9.75
ROC related expenses	0.15	11.53
Sales Promotion Expenses	6.67	7.06
Bad Debts	-	0.98
Communication Expenses	1.31	1.92
CSR Expenditure*	10.84	-
Investment in PMS Expenses	6.27	8.06
Travelling Expenses	25.40	13.86
Washing Cleaning Charges	12.66	9.08
Water Charges	2.91	0.55
Misc Expenses	28.85	14.03
Total	**449.46**	**323.35**

*CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is 10.84 lakhs

Expenditure related to Corporate Social Responsibility is 10.84 lakhs. There is no shortfall in the amount which has been spend towards Education related activities

1. Payment to Auditors

(Rs in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
For Statutory Audit	4.75	4.00
For Tax Audit	0.50	0.50
For Others	0.50	0.50
Total	**5.75**	**5.00**

MEHUL COLOURS LIMITED

Notes forming part of Balance Sheet as on 31st March 2026

Note-26: Earnings Per Share

Particulars	For the year ended	
	As on 31 March 2026	**As on 31 March 2025**
Net profit for the year after tax (in Rs. Lakhs)	522.29	550.30
Weighted average number of equity shares outstanding (Considering Bonus)*	1,05,49,040	75,41,040
Nominal value of the shares (Rs.)	10	10
Basic & Diluted Earning per share (Rs.)	5.49	7.30

*Bonus issued of 72,51,000 Equity Shares of Face Value of ₹ 10/- each in the ratio of 25:1 i.e. Twenty-Five (25) Bonus Equity Share for every One (1) Equity Shares held by shareholders allotted on, 24th October 2024. Same has been Considered for Weighted Average number of Shares.

Note-27: Contingent Liabilities

Contingent Liabilities **(Rs in Lakhs)**

Particulars	For the year ended	
	As on 31 March 2026	**As on 31 March 2025**
In Respect of GST	4.13	4.13
In respect of TDS	1.97	2.86

Note-28: Foreign Exchange earnings, expenditures and Hedge and unhedge status of Balance receivable and payable

Particulars	For the period ended	
	As on 31 March 2026	**As on 31 March 2025**
1. CIF Value of Imports		
Raw Material		
In USD	15,792.00	15,316.00
In INR- Lakhs	13.96	13.30
2. Earnings in Foreign Currency		
Exports - In USD	4,60,533.15	1,89,300.00
Exports - In INR	409.39	155.79
Disclosure Regarding Unhedged Foreign Currency Exposure		

Disclosure of Unhedged Balances:	For the year ended	
	As on 31 March 2026	**As on 31 March 2025**
Trade payables (including advances)		
In USD	-	-
In INR- Lakhs	-	-
Trade Receivable (including advances)		
In USD	2,29,846.90	18,900.00
In INR- Lakhs	217.55	16.19

Note 29: Employee Benefits

The Company has made provision for payment of Gratuity to its employees. This Provision is made as per the method prescribed under the Payment of Gratuity Act. The cost of providing gratuity under this plan is determined on the basis of actuarial valuation at year/period end. The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits during the financials period. The disclosure as envisaged under the Accounting Standard is provided hereunder:

(Rs in Lakhs)

Details of Gratuity Expenses	**As on 31 March 2026**	**As on 31 March 2025**
Profit and loss account for the period		
Current service cost	2.55	2.27
Interest on obligation	2.67	2.47
Expected return on plan assets		-
Net actuarial loss/(gain)	27.72	1.73
Recognized Past Service Cost-Vested	(18.72)	-
Benefits paid	-	-
Loss (gain) on curtailments	-	-
Total included in 'Employee Benefit Expense'	**14.21**	**6.47**
prior year charge	-	-
Total Charge to P&L	**14.21**	**6.47**
Reconciliation of defined benefit obligation		
Opening Defined Benefit Obligation	0.00	34.33
Transfer in/(out) obligation	-	-
Current service cost	2.55	2.27
Interest cost	2.67	2.47
Actuarial loss (gain)	27.72	1.73
Past service cost	(18.72)	-
Benefits paid		-
Prior year charge		-
Closing Defined Benefit Obligation	**14.21**	**40.79**
Table of experience adjustments		
Defined Benefit Obligation	-	-
Plan Assets	-	-
Surplus/(Deficit)	-	-
Reconciliation of plan assets		
Opening value of plan assets	-	-
Transfer in/(out) plan assets	-	-
Expenses deducted from the fund	-	-
Expected return	-	-
Actuarial gain/(loss)	-	-
Contributions by employer	-	-
Benefits paid	-	-
Closing value of plan assets	-	-
Details of Gratuity Expenses		
Reconciliation of net defined benefit liability		
Net opening provision in books of accounts	-	34.33
–Transfer in/(out) obligation	14.21	6.47
Transfer (in)/out plan assets	-	-
Employee Benefit Expense	-	-
Benefits paid by the Company	-	-
Contributions to plan assets	-	-
Closing provision in books of accounts	**14.21**	**40.79**
Bifurcation of liability		
Current Liability	13.68	8.27
Non-Current Liability	41.33	32.52
Net Liability	**55.01**	40.79
Principle actuarial assumptions		
Discount Rate	6.89%	6.55%
Expected Return on Plan Assets		-
Salary Escalation Rate	5.00%	5.00%
Withdrawal Rates (p.a.)	8.00%	8.00%
Mortality rate	IALM (2012-2014)	IALM (2012-2014)

NOTICE OF 31ST ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE THIRTY FIRST ANNUAL GENERAL MEETING OF THE MEMBERS OF MEHUL COLOURS LIMITED WILL BE HELD ON WEDNESDAY, SEPTEMBER 30, 2026 AT 12:30 P.M. (IST) THROUGH VIDEO CONFERENCE (VC)/OTHER AUDIO-VISUAL MEANS (OAVM) TO TRANSACT FOLLWING BUSINESS:

ORDINARY BUSINESS:

Item No. 1:
To adopt Audited Financial Statements: To receive, consider and adopt the Audited Financial Statements of the Company for the Financial year ended March 31, 2026 together with the Reports of the Board of Directors and Auditors thereon, pass the following resolution as an **Ordinary Resolution**.

a. "**RESOLVED THAT** the audited financial statements of the Company for the financial year ended on March 31, 2026 and the Reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."

Item No. 2:
To appoint Director retiring by Rotation: To appoint Mrs. Bhakti Mehul Joshi (DIN: 02376755), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, seeks re-appointment and in this regard, to consider and if thought fit, pass the following resolution as an **Ordinary Resolution**; [For details of Director seeking re-appointment at the Annual General Meeting please refer Annexure to the Notice].

"**RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mrs. Bhakti Mehul Joshi (DIN: 02376755), who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company liable to retire by rotation."

SPECIAL BUSINESS:

Item No. 3:
To appoint Mr. Tejas Harish Joshi (DIN: 11917872), as a Director of the Company; *(For Brief Profile, refer Annexure to the Notice)*

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

"**RESOLVED THAT** pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, Mr. Tejas Harish Joshi (DIN: 11917872), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 5th September, 2026 and who holds office up to the date of this Annual General Meeting in terms of Section 161(1) of the Act, and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director (Executive) of the Company, whose office shall be liable to determination by retirement of Directors by rotation.

By Order of the **Board of Directors**

Sd/-
Shilpa Karam Mehta
Company Secretary &
Compliance Officer

Date: September 5, 2026
Place: Mumbai

NOTES:

1. The Company is convening its 31st Annual General Meeting of Members of the Company through VC / OAVM on Wednesday, September 30, 2026 at 12:30 p.m. (IST). The deemed venue for the 31st AGM will be the Registered Office of the Company. The AGM is convened in compliance with applicable provisions of the Companies Act, 2013 read with General Circular No. General Circular No. 20/2020 Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 2/2022 dated May 5, 2022, Circular no 10/2022 dated 28th December, 2022, General Circular No. 09/2023 dated September 25, 2023, Circular No. 9/2024 dated September 19, 2024 and Circular No. 3/2025 dated September 22, 2025 issued by the Ministry of Corporate Affairs ("MCA Circular(s)") and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 issued by SEBI and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.

2. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/ HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC OR OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULAR, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**

3. Corporate Members of the Company are encouraged to attend and vote at the 31th AGM through VC/OAVM facility. Corporate Members intending to appoint their authorized representatives pursuant to Sections 112 and 113 of the Act, as the case maybe, to attend the AGM through VC or OAVM or to vote through remote e-voting are requested to send a certified copy of the Board Resolution to the Company at info@mehulcolours.com.

4. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker and send their questions on or before 3.00 p.m. Wednesday, September 23, 2026, mentioning their name, demat account number/ folio number, email id, mobile number at info@mehulcolours.com to enable the Company to reply suitably during the AGM. The Chairman will endeavour to respond to the same at the AGM. Queries received after this time and date may not be responded to, at the AGM. Further, the Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

6. The facility of participation at the AGM through VC/OAVM will be made available to the members. The Members can join the AGM in the VC/OAVM mode 15 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on National Securities Depository Limited's ('NSDL') e-Voting website at www.evoting.nsdl.com.

7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended) and in accordance with the various MCA circulars issued and applicable from time to time, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the 31st AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the 31st AGM will be provided by NSDL.

8. Members holding shares in dematerialized form are requested to intimate all changes to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their participant (DP). intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's and Transfer Agents Bigshare Services Pvt. Ltd. to provide efficient and better services.

9. To support the 'Green Initiative' and pursuant to MCA and SEBI circular the Notice of the AGM along with the Annual Report 2025-26 is being sent by electronic mode only to all the Members whose e-mail addresses are registered with the Company / Depositories. For Members who have not registered their e-mail addresses, may register on https://www.bigshareonline.com /InvestorRegistration.aspx and request to get the same on their respective email address(s). Also, Members are requested to note that this Notice convening the 31st AGM and Annual Report 2025-26 will also be available on the website of the Company at www.mehulcolours.com, and shall also be accessed from the relevant section of the website of the BSE Limited at www.bseindia.com.The AGM Notice is also available on the website of NSDL at www.evoting.nsdl.com.

10. The Register of Members and Share Transfer Books of the Company will be closed from Friday, 25th September, 2026 to Wednesday, 30th September, 2026 (both days inclusive) for the purposes of the AGM.

11. During the 31st AGM, Members may access the electronic copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act, upon Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com.

12. Members who wish to inspect the relevant documents referred to in the Notice can send an email to info@mehulcolours.com upto date of this Meeting.

13. The business set out in the Notice will be transacted through remote electronic voting (e-voting) system and the Company is providing facility for voting by remote electronic means. Instructions and other information relating to remote e-voting are given in the Notice.

14. Members holding shares in electronic (dematerialised) form are advised to send the requests for change of address, bank particulars, bank mandate, residential status or requests for transmission of shares etc. to their Depository Participants. The Company or its Registrars cannot act on any such requests received directly from the members holding shares in electronic form.

15. Wednesday, September 23, 2026 has been fixed as 'Cut-off Date' for determining Shareholders entitled to facility of voting by remote e-voting at said AGM following Regulation 44 of the SEBI LODR, 2015.

16. The Company has appointed Mr. Roshan Harde (Certificate of Practice No. 13138), Proprietor, M/s H Roshan & Associates, Practicing Company Secretaries, as the Scrutiniser to scrutinise the Remote e-Voting process in a fair and transparent manner.

17. The Scrutiniser shall after the conclusion of voting at the AGM, will first count the votes cast at the AGM and thereafter unblock the votes cast through Remote e-Voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 2 (two) working days of the conclusion of the AGM, a consolidated Scrutinisers' Report of the total votes cast in favour or against, if any, to the Chairman, who shall countersign the same and declare the result of the voting forthwith.

18. The results of voting on the Resolutions moved at the AGM shall be declared on or after the AGM of the Company and shall be deemed to be passed on the date of AGM. The said result would be displayed at the Registered Office of the Company, intimated to the BSE Limited and shall also be displayed along with the Scrutinisers' Report on the Company's website www.mehulcolours.com and on the website of NSDL, immediately after the declaration of result by the Chairman.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -

The remote e-voting period begins on Saturday, September 26, 2026 at 9:00 A.M. and ends on Tuesday, September 29, 2026 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, September 23, 2026 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date**.**

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	**Login Method**
Individual Shareholders holding securities in demat mode with NSDL.	For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for**

	IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “**NSDL Speede**” facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.

	If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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.com or call at 022 - 4886 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. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

Visit the e-Voting website of NSDL. Open web browser by typing the following URL:

https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	**Your User ID is:**
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

Password details for shareholders other than Individual shareholders are given below:
If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
How to retrieve your 'initial password'?

If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

Now, you will have to click on "Login" button.

After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csroshanharde@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Mr. Suketh Shetty at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to info@mehulcolours.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to info@mehulcolours.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A**) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.
3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are

otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM” placed under “Join meeting” menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

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ANNEXURE TO THE NOTICE

DETAILS OF DIRECTOR SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

(Under provisions of Regulation 36(3) of SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015)

Name of the Director	Mrs. Bhakti Mehul Joshi (DIN: 02376755)	Mr. Tejas Harish Joshi (DIN: 11917872)
Age	44 years	45 years
Date of Appointment on the Board	1st April, 2009	5th September, 2026
Brief Resume and nature of expertise in functional areas	Mrs. Bhakti Mehul Joshi is the Promoter and Whole-Time Director of the Company. She completed her Bachelor of Commerce from the University of Mumbai in 2003 and also holds a Post Graduate Diploma in Travel and Tourism. She has been serving on the Board of the Company since 2009 and is primarily responsible for overseeing the finance operations of the Company, with 15 years of experience in the field of finance. She is also well versed with polymer chemistry, colour formulation and relevant technologies.	Mr. Tejas Harish Joshi has been associated with Mehul Colours Limited for over 15 years and has extensive hands-on experience in the Company's manufacturing and business operations. He has a strong understanding of factory operations, production processes, workforce management, quality requirements, customer needs and day-to-day business administration. He has progressively taken on greater responsibilities within the Company and is closely involved in managing and coordinating various aspects of the business. He will be responsible for overseeing the Company's day-to-day operations and business activities.
a) Directorships in other listed entities **b) membership of Committees of the Board**	a) None b) 1 (One)	a) None b) NIL
Number of shares held in the Company	6,86,800 Equity Shares [6.51%] (As on date of the Notice)	NIL (As on date of the Notice)
Relationship with Other Directors	Mrs. Bhakti Mehul Joshi is the wife of Mr. Mehul Pravinchandra Joshi, Chairman and Managing Director of the Company. Apart from this, she is not related to any other Director or Key Managerial Personnel of the Company.	Mr. Tejas Harish Joshi is not related to any of the Directors or Key Managerial Personnel of the Company.

Explanatory Statement *(Pursuant to Section 102(2) of the Companies Act, 2013)*

Item No. 3:
To appoint Mr. Tejas Harish Joshi (DIN: 11917872), as a Director of the Company

At the meeting of the Board of Directors of the Company held on 5th September, 2026, the Board, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Tejas Harish Joshi (DIN: 11917872) as an Additional Director (Executive) of the Company with effect from that date, subject to the approval of the Members. In terms of Section 161(1) of the Companies Act, 2013 ("the Act"), Mr. Tejas Harish Joshi holds office as an Additional Director up to the date of the forthcoming 31st Annual General Meeting and is eligible for appointment as a Director. The Company has, in terms of Section 160(1) of the Act, received a notice in writing from a Member proposing his candidature for the office of Director.

Mr. Tejas Harish Joshi has furnished his consent to act as a Director of the Company in Form DIR-2 and has confirmed that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act. He has further confirmed that he has not been debarred from holding the office of Director by virtue of any order of the Securities and Exchange Board of India or any other authority, in terms of Regulation 17(1D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Circulars issued thereunder.

Mr. Tejas Harish Joshi has been associated with Mehul Colours Limited for over 15 years and has extensive hands-on experience in the Company's manufacturing and business operations. Over the course of his long association, he has developed a strong understanding of factory operations, production processes, workforce management, quality requirements, customer needs and day-to-day business administration. He has progressively taken on greater responsibilities within the Company and, upon his appointment, will be responsible for overseeing the Company's day-to-day operations and business activities.

The Board, based on the recommendation of the Nomination and Remuneration Committee, is of the view that, given his skills, integrity, expertise and experience, the association of Mr. Tejas Harish Joshi would be beneficial to the Company and it is desirable to avail his services as an Executive Director of the Company.

Accordingly, the Board recommends the Ordinary Resolution set out at Item No. 3 of the accompanying Notice for approval of the Members. The details of Mr. Tejas Harish Joshi, as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings (SS-2), are set out in the Annexure to this Notice.

Except Mr. Tejas Harish Joshi, being the appointee, and his relatives, none of the other Directors or Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 3 of the Notice.

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